### **Attachment B**

\*210CT19 RH 8 : 11 CITY OLERK

October 18, 2021

From: Planning Commission

Re: Public Written Testimonies on Short-Term Rental

Submitted 8/18/21 – 9/8/21 relating to Departmental

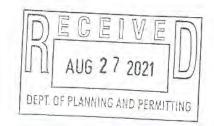
Communication D-702 (2021)

From: Torrey Lock [mailto:torrey.lock@gmail.com]

Sent: Friday, August 27, 2021 2:33 PM

To: info@honoluludpp.org

Subject: DPP vacation rental proposal



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#### Aloha Brian Lee.

My name is Torrey Lock, and I have been a resident of Oahu, living in Waialua and Haleiwa for 10 years. I arrived with little opportunity and entered into the service industry and have worked my way to now being a 50% owner of a local hydroponics farm in the area. My primary customers are restaurants, whose primary customers are tourists. Many businesses on the North Shore are nearly, or completely reliant on tourism to survive, but our community cannot survive without this bill going into effect.

About two months ago I was put in a situation where I would need to move out of the same property I have called home for 9 years, and during those months I became suddenly aware of the full degree of our current housing crisis. The crisis is coming from many different problems we face here in Hawai'i, and those other issues cannot be ignored, but we must address each and every one of them. Thank you for proposing to act on the issue of vacation and short term rentals.

During the past couple months I have searched on Craigslist and Facebook every day and have found nearly nothing. The handful of places I have found that fit my budget (which is not small, but it cannot compete with the current prices) are quickly spoken for. I have looked in farther areas - Wahiawa and Mililani, but am finding the same issues of extremely few options, most of which are above my budget, or the distance negates the affordability. I fortunately have family on the island where I can stay, but if that were not the case my situation would result in temporary homelessness - something that should not impact any resident of Hawai'i with a full time job. I am afraid this reality is currently going to affect more and more Hawai'i families.

The residents and working class of the North Shore need places to live. We are the people who grow food, catch fish, manicure gardens, fix homes, serve meals and drinks, clean house, and provide the culture and aloha of this beautiful strip of land. What will the North Shore be but an extension of the resorts when we can no longer find housing? Or when we could afford it, if only it was still available as a long term rental? What will make it desirable for us to continue to serve this community and its guests when we walk out of our homes and see nothing but new faces every day and our friends and ohana have moved on to places more affordable to live?

Every day I see the aloha disappearing and the frustration growing. I no longer recognize the town I moved to a decade ago, and cannot imagine the pain and anger felt by those born here and the kanaka maoli whose lineage goes back generations on these islands. I was further distraught by the number of testimonies already sent in by people profiting off properties. I work hard to live here, I am integrated into this community with the food I grow and the people I sell it to. It is time for the people getting rich and thriving off the tourist dollar to enter into our community, or

find a new one to exploit.

I do however, strongly encourage allowing vacation rental, with proper taxes and licenses, of any length of stay, in homes currently and actively occupied by the owner themselves, or in attached or detached separate dwellings and ohana units on a property shared with the owner where they currently and actively reside. The primary issues are permanent vacation homes where the owner is absent and is not invested in the community, and the number of homes and housing units taken off the long term rental market.

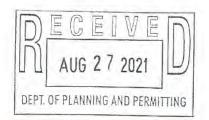
For further reading on this issue if you have not come across it before, and a glimpse into Hawai'i's future if this issue is not addressed swiftly and immediately, please read this open letter to AirBNB: <a href="https://theorcasonian.com/an-open-letter-to-airbnb-the-pitchforks-are-coming/">https://theorcasonian.com/an-open-letter-to-airbnb-the-pitchforks-are-coming/</a>

Mahalo for your dedication and work to return Hawai'i homes to the residents, Torrey Lock From: Pete Knerr [mailto:knerrp002@gmail.com]

Sent: Friday, August 27, 2021 3:57 PM

To: info@honoluludpp.org

Subject: planning commissionSeptember1 testimony



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### Dear Planning Commission:

My name is Peter Knerr. My wife and I have lived in Lanikai for the last 38 years. We used to have a wonderful neighborhood with friendly, hospitable people. Now the neighborhood is fast becoming Waikiki North. Just before Covid-19 hit last year I could throw a stone from our property and hit four illegal B & Bs or TVRs. Probably the only good thing that came out of Covid was that it forced three of them to shut down and become long term rentals. Now that it appears that Covid can be controlled (if people get vaccinated), one of them is starting up again. There are several reasons why B & Bs/TVRs do not belong in our neighborhoods.

- 1. Infrastructure problems. Kailua is a residential neighborhood which has not been designed for, nor does it have the infrastructure capacity to become a major resort destination, which is happening.
- 2. Parking problems. Many of the streets in our neighborhood do not have on-street parking. We live on a very narrow street on the hillside and the renters sometimes park on the street. When that happens, the garbage truck is unable to pass. The driver blows his horn and if no one comes out to move the vehicle, some people on the street don't get their garbage collected. We are concerned that if we were to need an emergency vehicle such as an ambulance or fire truck on our street, there would not be enough room for it to pass. This is a health and safety issue.
- 3. Crime problems. Because our neighborhood is becoming more of a tourist neighborhood, we have considerable crime as the vacationers leave items in their cars and the smash and grab thieves have easy targets. The police tell us to get to know our neighbors, which is difficult when they change every few days.
- 4. Traffic problems. What with more people living in our neighborhood, there is more traffic, and that is compounded by the ongoing sewer repair project. It has taken us as long as half an hour to get into or out of Lanikai.
- 5. Noise problems. Tourists don't have to get up in the morning to go to work and since they are on vacation, can stay up until all hours and party. One of our B & Bs controls this, the others didn't
- 6. Increased prices of real estate. Allowing vacation rentals encourages investors to purchase residences for lucrative rental to tourists. This escalates the price of real estate (and property taxes) and helps to put housing prices out of reach of our local residents..
- 7. The vast majority of local people are against vacation rentals in their residential neighborhoods. The Kailua Neighborhood Board has stated its opposition, as have many other community associations throughout Oahu.

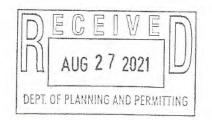
I would hope, although past performance does not make me optimistic on this issue, that this new bill, if passed, would be enforceable, because the current rules are not.. Even if the illegal owners are caught, which happens very infrequently, they may be fined. However, the vast majority of fines are not paid. There has to be a law with teeth, such as putting tax liens on the property concerned.

Aloha, Peter Knerr Kailua From: Dominique Reeuwijk [mailto:dreeuwijk24@gmail.com]

Sent: Friday, August 27, 2021 3:33 PM

To: info@honoluludpp.org

Subject: DO NOT INCREASE SHORT TERM RENTAL TERMS!



CAUTION: Email received from an EXTERNAL sender. Please confirm the content is safe prior to opening attachments or links.

To whom it may concern -

We fully support enforcement actions against illegal Short-Term Rental operators. There is no need to change the definition from 30 days to 180 days. We just need to properly enforce the 30 day rule.

If the definition of short term is increased to 180 days, it would eliminate the ability for any Hawaii resident to sell their house and move into temporary housing until they have a new house. With the current buyers market, it is near impossible for renters who are looking to become first time home owners to buy a property if they are locked into a 6+ month lease. They continuously put in offers, and if one by chance gets accepted, being in a month to month lease saves a tremendous amount of stress and financial strain for these families.

Month to month leases are CRUCIAL for our economy. They are CRUCIAL for residents who are buying and selling property.

Please do not allow this new proposal to go through.

Best, Dominique From: Ming (Mike) Lai [mailto:laiming69@yahoo.com]

Sent: Friday, August 27, 2021 4:18 PM

To: Info@honoluludpp.org

Cc: ming lai

Subject: Proposed Amendments to Chapter 21 (Land Use Ordinance [LUO]), Revised Ordinances of

Honolulu (ROH) 1990, as Amended, Relating to Transient Accommodations.

CAUTION: Email received from an EXTERNAL sender. Please confirm the content is safe prior to opening attachments or links.

TO: Members of the Planning Commission

SUBJECT: Proposed Amendments to Chapter 21 (Land Use Ordinance [LUO]), Revised Ordinances of Honolulu (ROH) 1990, as Amended, Relating to Transient Accommodations.

Dear Planning Commission Members,

Unit Owner: Ming Lai

Email: laiming69@yahoo.com

Property Address: 2427 Kuhio Ave #2508, Honolulu, HI 96815

I am very concerned about the proposed amendment to Chapter 21 which is related to Transient Accommodations.

- According to this bill, the purpose of this ordinance is "to better protect the City's residential neighborhoods and housing stock..."
- According to this bill, short term rentals are:
- "Disruptive to the character and fabric of our residential neighborhoods"
- "They decrease the supply of long-term housing for local residents"
- "They increase the prices of rent and housing".

I don't disagree with the above purpose and facts.

I believe the best way to protect residential areas, housing stock and avoid the negative effects of STR in residential neighborhoods, is by simply enforcing Ordinance 19-18 (Bill 89).



However, I have a few questions and concerns about the proposed amendment.

## 1: Sec 21-5.360 Condominium Hotels: "Units in a condominium-hotel must be part of the hotel's room inventory"

- I don't see how this Section is related to the original purpose of this ordinance, which is to protect residential neighborhoods. Condominium-hotels are in Waikiki, in resort zones or adjacent to resort zones, hence not in residential neighborhoods. Furthermore, how does forcing property owners of units in Condominium-hotels into being part of the hotel pool enforce the original purpose of this proposed amendment?
- This Section does not offer any benefit to the local community, but only to the hotel industry. This Section eliminates any possible competition through legal property management companies and creates a monopolistic market.

I am an owner of a legal STR (TVU) in the Waikiki resort zone, in a Condominium-Hotel. I opted to have my unit managed by such a professional short-term management company, instead of being managed by a hotel pool. The company that manages my unit is a licensed and bonded company. They have about 25 employees (all living and working on the island) and provide a very reliable and professional service to me as an owner as well as to our guests.

The fact that units in Condominium-Hotels can be managed by either the hotel pool or by third-party management companies creates a healthy and competitive market. Imposing that only the hotel pool is allowed to manage all units in Condominium-Hotels creates a monopolistic market for the hotel industry. It is obvious that this type of condition has only negative effects for the public (high prices and low-quality service), and only benefits the hotel industry. In a purely monopolistic model, the monopoly firm can restrict output, raise prices, and enjoy super-normal profits in the long run.

The hotels would be able to charge very high management fees to the owners of hotel-units without fearing to lose clients, since the owners wouldn't have any other choice anymore. The same would apply if the owners wouldn't be satisfied with the offered service.

Some Condominium-Hotels have up to 1,000 hotel-units. One hotel operator can easily be overwhelmed by having to manage all the units and can't offer the dedicated, very responsive and reliable service a management company can for both the owners and the guests. This could even quickly turn the owner's investments into a loss and force many to sell their units.

I agree that the number of tourists coming to the islands needs to be limited. A healthy tourism industry would be highly beneficial for this island. But it is important for the tourism industry as well to support a healthy, professional, and competitive market. This is the only way to ensure that the supply of vacation units is kept in good condition and the quality of services remains high.

### 2: Sec. 21-5.730.1: To allow TVUs in the Gold Coast;

It doesn't seem obvious how this section can be in accordance with the original purpose of this amendment, to:

- Stop decreasing the supply of long-term housing for local residents
- Stop the disruption to the character and fabric of our residential neighborhoods

- Stop the increase of rental prices.

# 3: Sec. 21-5.730-2: "Each natural person may own no more than one unit that is registered as a B&B or TVU.

This section does not have any positive impact on the local housing market! Since the number of legal TVUs and B&B will not increase, why does it matter how many units a person owns? Aren't we living in a free market, where people can invest, own, purchase whatever is legal? What would come next? Limiting the number of houses someone can own, or the number of cars someone can own? I don't believe such drastic regulations and limitation of ownership can protect the city's residential neighborhoods and housing stock.

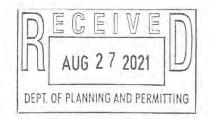
Best regards,

Ming Lai

From: leftsidepromo@aol.com [mailto:leftsidepromo@aol.com]

Sent: Friday, August 27, 2021 4:17 PM

To: info@honoluludpp.org Subject: STR Draft Bill



CAUTION: Email received from an EXTERNAL sender. Please confirm the content is safe prior to opening attachments or links.

There are many things to consider with the proposed STR draft as submitted by the city council. Please let me submit my perspective in the following points:

- 1. There is big difference in a home owner occupied BnB and a whole home rental by absentee owner. The first is regulated by the property owner and secured under their watchful eye, the latter is unregulated and there is no homeowner responsible to neighbors or the community. Big difference and they should be treated as such.
- 2. The whole backlash against vacation rentals stems from the politicizing of the issue and finger pointing by the HTA and the hotel industry. Using the dissatisfaction of many Hawaii residents regarding the number of tourists visiting the state and the resultant feeling of over tourism the hotel industry has pointed the finger of blame solely on BnB's. The hoteliers have formed a group which only focus is to eliminate vacation rentals so that they can keep their monopoly on tourism and do nothing regulate their own mismanagement of tourism for decades.
- 3. It is obvious that this issue is in large part an economic one. The hotel lobby blames over tourism solely on vacation rentals taking no responsibility for it's own overselling of our state for decades. Prior to the pandemic in 2020 the HTA and other agencies continued to promote more tourism without restraint and continues to build more rooms in Waikiki and other prime beach front areas throughout the state unabated. Waikiki already holds over 50,000 rooms, sufficient enough to saturate the island many times over.
- 4. Vacation rentals have been mislabeled and blamed for all kinds of social ills. The hotel industry has made them (collectively) the bad guy when the topic of over tourism arises, yet the hotel industry controls over 50,000 rooms in Waikiki and is by far the bulk of the problem. The issue is the hotels which ship their profits out of state to corporate owners who care nothing of Hawaii aside as being a profit center.
- 5. Hotels have been in existence since the founding of tourism in the 1900's and are the primary source over tourism. This is a fact. Vacation rentals run by local residents to help offset the high cost of living in Hawaii and should be allowed as an alternative to longer term rentals. They are less burdensome on neighborhoods and create jobs and profits that stay in the state versus hotel profits which are shipped out.
- 6. An example of a small rental unit for 2 people locally rented generates a minimum of 2 cars on the street. A vacationing tourist family of 4 rents 1 car, which is used throughout the day and isn't left abandon on the street as in many neighborhoods. Locals also bring friends to visit which further crowds a neighborhood. Tourists have no ties or visitors that create problems, noise or additional traffic, yet they are mislabeled and blamed for things like parties and over crowding.
- 7. It is not the state and county's responsibility to build affordable and sufficient housing not private citizens. Forcing homeowners to rent their home as a state supplemental housing unit is morally and legally wrong. Property owners have the right to do what they want with their property. Everyone pays property taxes here.
- 8. I tire of hearing vacation rentals are ruining neighborhoods and the fabric of island life. From what I know and see there are many threats to island life and vacation rentals are not even close to the top. Monster homes are the biggest issue in neighborhoods. They are basically city approved

apartments with no off street parking requirements and a residential tax designation, all with the city's blessing.

- 9. TVU's provide income for property owners that help them meet increasing property taxes, utilities and overall cost of living in a state that sadly continues to increase taxes on local residents for things like rail.
- 10. Private citizens are not responsible for affordable housing. If the state and county want additional units they should find a way to build them, through a PPP or other means. In no way should landowners be forced into providing housing because of the city's shortcomings.
- 11. Another issue is that landlords are tired and frustrated with a one sided, tenant favored and draconian landlord tenant code which basically punishes a landlord for renting their private property. Why would anyone want to deal with Hawaii's landlord tenant code when it is so obviously one side in favor of the renter? It's economic suicide.
- 12. Lastly, the pandemic as exposed our liberal government for what it is. At the expense of the property owner, the state forced landlords to hold on to their non-paying tenants without recourse throughout the pandemic and only until recently under heavy handed rules where landlords finally able to seek redress, payment and remove tenants that had not paid rent for 18 months. On the flip side the city never granted and delayed any property tax relief and landlords still had to somehow pay their mortgages. As insane as that may sound this is what a landlord was dealt by the state and county.

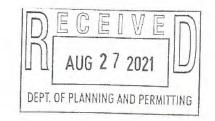
I hope that provides you with some real perspective on the matter of vacation rentals because what the media reports and what the politicians are striving for is nothing more than political pressure by the hotel industry, HTA. We the citizens Honolulu do not agree with these proposed changes.

Travis Kekoa Maunalani Hts. From: Dominique Reeuwijk [mailto:dreeuwijk24@gmail.com]

Sent: Friday, August 27, 2021 3:33 PM

To: info@honoluludpp.org

Subject: DO NOT INCREASE SHORT TERM RENTAL TERMS!



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To whom it may concern -

We fully support enforcement actions against illegal Short-Term Rental operators. There is no need to change the definition from 30 days to 180 days. We just need to properly enforce the 30 day rule.

If the definition of short term is increased to 180 days, it would eliminate the ability for any Hawaii resident to sell their house and move into temporary housing until they have a new house. With the current buyers market, it is near impossible for renters who are looking to become first time home owners to buy a property if they are locked into a 6+ month lease. They continuously put in offers, and if one by chance gets accepted, being in a month to month lease saves a tremendous amount of stress and financial strain for these families.

Month to month leases are CRUCIAL for our economy. They are CRUCIAL for residents who are buying and selling property.

Please do not allow this new proposal to go through.

Best, Dominique

DECEIVED

AUG 2 7 2021

DEPT. OF PLANNING AND PERMITTING

----Original Message-----

From: Neil Frazer [mailto:neilfrazer@icloud.com]

Sent: Friday, August 27, 2021 9:30 PM

To: info@honoluludpp.org

Subject: support for DPP draft bill

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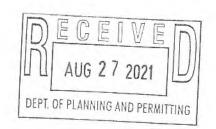
Aloha,

After waiting decades, is nice to see DPP finally taking action. I sincerely hope that every single B&B on O'ahu will be shut down and converted to long-term rentals. In order to diversify our economy it is necessary that knowledge workers be able to find a place to rent.

Sincerely, Neil Frazer

112 Haokea Drive Kailua, HI 96734 From: CLK Council Info

Sent: Friday, August 27, 2021 11:39 AM Subject: Planning Commission Testimony



## **Written Testimony**

Name ana murray

Phone

Email beachhousehawaii.comana@gmail.com

Meeting Date 09-01-2021

Council/PH Committee

Zoning and Planning Planning Commission

Agenda Item 123 096 9887

Your position on the matter

Oppose

Representing S

Self

Organization

Written

Testimony

These new rules are unnecessary and ridiculous during a pandemic. The State of Hawaii brings in many temporary workers who look for housing. They often stay 3-6 months. Traveling nurses are one example of people who have stayed with us in the past. They work long hours and do not want to stay in a hotel. We also have housed rail workers and construction workers who are brought in for a specific project. This would make all that illegal. Most of the time these temporary workers end up staying with us for 6 months after initially needing 3

months. Also, we just went through a huge process a couple of years ago. Why make changes now?

Testimony Attachment Accept Terms

and Agreement

IP: 192.168.200.67

From: Jeff Riley [mailto:jeffariley@hotmail.com]

Sent: Friday, August 27, 2021 4:46 AM

To: Takara, Gloria C Cc: Coachcooz@aol.com

Subject: Proposed Changes to the Home Rental Properties



CAUTION: Email received from an EXTERNAL sender. Please confirm the content is safe prior to opening attachments or links.

Good afternoon. I am writing to express my displeasure, dismay and outrage at the local government officials putting the interests of the large hotel lobby in front of the best interest of Hawaiian resident homeowners who chose to rent out their personally owned real estate properties by attempting to pass these new laws which would require them to rent their homes out for 180 days minimum.

This proposed change directly hurts Hawaiian property owners who pay their property taxes, live locally, and depend on that income for their survival and the benefit of their families. By enacting this regulation, you are clearly choosing to side with the large hotel corporations whose owners do not reside locally and are not concerned with anything but their occupancy rates and their bottom line. Putting these large conglomerates ahead of your local neighbors is heinous and the opposite of what we know to be true Hawaiian culture.

Hawaii relies heavily on tourism as its largest economic engine. Why should Hawaiian private property owners be left wondering how they will pay their mortgages and support their families because some homeowners do not like having visiting tourist living next to them for 30 days at a time. They live on an island that survives on tourists and the money they spend locally. What is the thinking of the people who want to take away homes of Hawaiian residents away? These families will be forced to sell their properties, most likely to non- Hawaiian people or entities who live abroad and do not have a personal stake in the lives of the residents and their livelihood.

My wife and I lived in Maunawili and worked on Oahu for many years. We have personal friends in Kailua, in Waikiki and up on the North Shore who live locally and will be directly and greatly impacted by the proposed laws. I urge you to consider carefully before you decide like this, that will have so much negative impact on the lives of so many Hawaiian residences to satisfy the needs and wants of the corporate hotels and those property owners who like to complain about their neighbors renting out their personal properties simply because they are irritated by it. No one should be able to take away their property's owners' rights lease their properties as they chose. This proposed change is un-American, anti-homeowner's rights and not what we all think of when we think of the "Ohana" culture and looking out for the well being of our friends, neighbors, and visitors.

Your decisions on this matter will determine the lives and livelihood of your neighbor. Make the right decision for them, their future generations and Oahu as a whole.

Sincerely,

Jeffrey A. Riley

From: Carie Ann Shedd < caries@bhhshawaii.com>

Sent: Friday, August 27, 2021 5:23 AM

To: info@honoluludpp.org

Subject: Written Testimony for Public Hearing 9/1 Short term rental amendments

CAUTION: Email received from an EXTERNAL sender. Please confirm the content is safe prior to opening attachments or links.

To Whom it may concern:

This letter is in regard to my opposition to the new STR draft bill. There are a few items in the bill that do make sense and I can agree with. Those two things are to enforce the current rules/ laws on the books which currently are not really being enforced and is part of the issue. I can also agree with keeping any new permits out of residential neighborhoods. Those are both common sense rules and I think most people will agree with them.

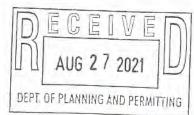
It is also my belief that the hotel owners who wrote that bill are using those commonsense issue to hide other laws within the bill that don't help anyone except to make the hotels more money and create a complete monopoly. Removing the income that thousands of residents rely on to survive. May of these people are retired and have no other source of income and hurt them in ways you are not considering.

### The items in the bill that should be REMOVED are the following.

1. No rentals under 180 days. This will hurt both the landlord and renters. Landlords are able to charge 25-50% more on a one to three month bases for the convenience a furnished home provides for a few months. Most people that I know doing this are retired and rely on this to live. They lost so much in 2020 when the island shut down without being bailed out like the hotels were and now that government is trying to crush them again.

The renters it will hurt are people within our community such as traveling nurses and doctors, and military family's when they first arrive looking for permanent housing, extended families coming to the island for a few months while their grand baby is born, family coming to help elderly parents or move their kids over for college. Hundreds of thousands of people come here for several months of the year for the reasons mentioned and wont if they must stay in a hotel since the cost is too great and will only increase if this bill passes. There have been several times family has wanted to come visit me but all hotels were booked, that problem will only increase with this bill. It is also unfair to the thousands of people who purchased units to stay in for a few months here and there throughout the year and rent out the other months. Changing the rules without grandfathering in or without the state compensation should be illegal as it is definitely wrong.

2. The section on condo hotels where A. the unit owner can no longer live in their unit as owner occupant, B the owner cant manage the unit or pick their property manager and C the unit owner cant vacation in their unit unless they market rates and all taxes. These should all be removed from this bill. This section is clearly only written for the benefit of the hotels pocket book. If the bill is trying to provide more units for residents why would we take away long term units? I know people who bought units at places like the Ritz and Trump towers to live in full time and now you are going to evict them per this bill? How does it makes any sense that



someone who paid hundreds of thousands to multi millions for a unit that they can no longer use or make any money off of? If the hotels become the only managers any and all profits will go to the hotels, not the individual investor who spent the money to purchase the unit. This entire section needs to be removed and is only a move from greedy hotel owners who are trying to acquire more units for themselves without any cost to them. It is wrong.

As I said in the beginning there are a few commonsense items that most everyone can agree on but the rest of it is going to make all investors run from the island for states that are more business friendly. Currently 50% of the island are renters and depend on investors to make those units available for them to rent, most of those people will never be able to afford to purchase their own home and if you chase away investors there will be even fewer units to rent than before. I have several clients that won't buy here anymore if this bill is passed the way it currently stands. This bill is reckless to the financial wellbeing for all homeowners, investors and property managers and will cause a ripple effect I don't think you have through.

Thank you, please confirm receipt of this email.

Best Wishes, Carie Shedd 808.375.4640 ----Original Message----

From: Karen Young < kareny402@gmail.com>

Sent: Friday, August 27, 2021 5:07 AM

To: info@honoluludpp.org

Subject: Proposed amendments to chapter 21 (land use ordinance), revised ordinances of Honolulu

(ROH) 1990, as amended, relating to transient accommodations

CAUTION: Email received from an EXTERNAL sender. Please confirm the content is safe prior to opening attachments or links.

I hereby submit my comments and testimony in opposition.

Enforcement actions must be taken against all illegal short-term rental operators but there is no need to change the definition from 30 days to 180 days. I support every effort to properly enforce the 30 day minimum.

I oppose the bill to ban legal 30 day minimum vacation rentals in apartment precincts in Waikiki for the following reasons:

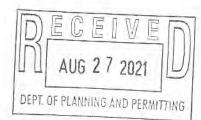
1. There are people on Oahu who need rentals of less than 180 days. These people are: Families from out of state who are taking care of loved ones People moving to Oahu & looking to purchase a home Families are waiting for construction of their new home to be completed Government workers Traveling nurses Military PCS while looking to purchase a home Home sellers who need to rent until they purchase a new home Film & TV crews while on a shoot

These people don't need or want to stay at ocean front hotels paying expensive accommodation fees. They should be able to stay at condos less than 180 days at affordable rates which will also benefit Hawaii's economy.

2. Some buildings in Apartment Precincts in Waikiki ban 30 day vacation rentals in their building bylaws while there are buildings that allow 30 day vacation rentals. If the purpose of this bill is to protect neighbors, please allow Owners Associations to decide by allowing their input. DPP should not override those owners' rights & implement such a one-sided standardized rule ignoring each building's owners' opinion & right to decide.

Banning illegal vacation rentals in more quiet residential neighborhoods such as Kailua is understandable & makes sense, it makes no sense for Waikiki. Waikiki is unique as a successful tourism destination with many businesses, restaurants & shops that depend on tourists. Healthy successful tourism needs a variety of accommodations that provide options to visitors. This bill narrows accommodations to only local residents with long term 180 day leases who won't contribute to special businesses aimed at tourism, income for business owners and the state of Hawaii. It's obvious that this bill is aimed to help the hotel industry in Waikiki. However, it doesn't benefit Oahu by providing healthy competition as it only promotes the hotel industry's vested interest & revenue.

3. Condo-hotels must be operated by the hotel since there are no illegal vacation rentals in condo-hotels. They are zoned as Hotel/Resort & many are privately owned. I am not an attorney but I think it may violate antitrust laws. In the United States, antitrust laws are a collection of federal & state



government laws that regulate the conduct & organization of business corporations & are generally intended to promote competition & prevent monopolies. I can't see any rationale in this move other than monopolizing the tourism market by protecting the hotel industry's interest & destroying legal property management companies. Competition in this industry is vitally important to keep improving Hawaii's accommodation services & attracting visitors to Hawaii. Competition results in better service & better property management which increases tax income to the State which benefits all local residents. At the city & county level, this bill will also affect the market value of properties which will affect tax revenues & their use. There should be other ways to stop illegal vacation rentals or solve the issue of housing shortage for local residents. Letting the hotel industry monopolize Oahu's accommodation options will result in a ruined economy.

Karen Young August 27, 2021

Sent from my iPad

----Original Message----

From: sj k <<u>sjk4u@hotmail.com</u>> Sent: Friday, August 27, 2021 4:44 AM

To: Info@honoluludpp.org

Subject: STR bill

CAUTION: Email received from an EXTERNAL sender. Please confirm the content is safe prior to

opening attachments or links.

Copy of email that I sent to my property manager. They manage 2 STR in the Waikiki Banyan for us. Please consider making Waikiki entirely a hotel and STR zone. This would alleviate much of the problem and resistance to any other changes to protect neighbourhoods this bill is suppose to help.

Aloha \*\*\*\*\* (name withheld)

Thank you for the update.

Sure seems the hotel industry can't stand competition and is driving this attack on the short term rental market.

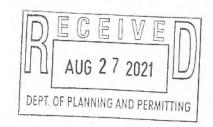
We have both sent in email relating our concerns.

Hopefully someone comes to their senses and sees this action for what is really is.

In my opinion, all of Waikiki proper should be a hotel and STR zone. I know there are a small number of single homes in that zone, but they are already used to the tourist "onslaught" in their neighbourhood. I believe a major economic downturn would result from this action if it goes through as proposed. Be well,

Stu

Sent from my iPhone

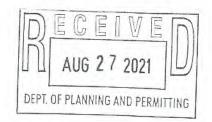


From: Shigemura, Carolyn < CarolynS@cbpacific.com >

Sent: Friday, August 27, 2021 1:45 AM

To: info@honoluludpp.org

Subject: Short/Long term rental definition.



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Short term rentals for tourists are normally fully furnished and charge very high daily rates. Which is why so many folks have tried (often illegally)to rent for shorter terms: daily/weekly rates.

It is difficult for local renters to find reasonable rentals if they have month to month needs. We have rented to Hawaii families renovating their homes and have to be out for just a month or two. And to outer island families with health problems that require they stay on Oahu during treatment, sometimes unknown duration, depending on outcomes. The higher the turn over rate the more difficult for lessors. We have higher advertising, cleaning expenses. We hardly need the added expense of higher tourists type taxes, which we would have to pass through to these families. And I guess is the reason you are considering changing the definition to 180 day as cut off for short vs long-term rentals. As it is, with assessment soon to rise with the market, many more homes will break the \$1 million dollar cut off for higher taxes. Cost already exceed rental rates, and rental rates are forcing many Hawaii families or their adult children to move out of their home state. Very sad.

Sincerely,

Carolyn Shigemura (R) #014159 1314 King St, 2nd Floor Honolulu Hi 96813 Carolyns@cbpacific.com 808-383-2222

Sent from my T-Mobile 5G Device Get Outlook for Android

\*Wire Fraud is Real\*. Before wiring any money, call the intended recipient at a number you know is valid to confirm the instructions. Additionally, please note that the sender does not have authority to bind a party to a real estate contract via written or verbal communication.

From: Kristin Counter < kristin@elitepacific.com>

Sent: Friday, August 27, 2021 8:05 AM

To: info@honoluludpp.org

Subject: OPPOSE: Change of definition of long term rentals from 30-180 days

DEPT. OF PLANNING AND PERMITTING

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### Aloha,

I would like to register for the call and testimony in opposition to the change of definition of long term rentals from 30-180 days.

As the central business district and capital of the state, there is a strong demand for moderate term stays of greater than 30 days, but less than 180:

- Traveling nurses
- Film Industry
- Business travel

Personally, in the last 3 years alone, I've needed 3-4 month interim housing. Am I supposed to take my 2-year old, husband and dog into a Waikiki Hotel?

In addition, as a licensed realtor I my clients have often needed rentals of 30 days or greater as they move between properties. This proposed change makes no sense from a practical standpoint whatsoever.

Hold the DPP accountable for enforcing the rules they already have in place.

### Thank you



**IMPORTANT NOTICE:** Email scams and wire fraud are becoming increasingly common. Never wire any funds, or provide anyone wiring instructions, without first verifying it by phone with your real estate agent or escrow officer.

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This email and any files transmitted with it are confidential and intended solely for the use of the individual or entity to whom they are addressed. Please notify the sender immediately by e-mail if you have received this e-mail by mistake and delete this e-

----Original Message----

From: Mary A Hartman [mailto:hartmant001@hawaii.rr.com]

Sent: Friday, August 27, 2021 11:02 AM

To: Takara, Gloria C

Subject: Changing short term rental definition to 180 days

CAUTION: Email received from an EXTERNAL sender. Please confirm the content is safe prior to opening attachments or links.

Dear. Ms Takara

I agree that short term (less than 30 days) rentals should be enforced.

But the 30 days rule has been in effect for over 20 years.

As an owner occupied B&B with parking I have had many guests stay for 30 days . They cannot rent for 180 days.

People coming to take care of a loved one. Several couples coming to visit and help with a new baby. They cannot rent for 30 days.

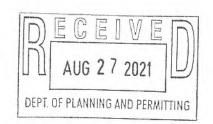
Traveling nurses that come for 2-3 months.

Moving to Oahu to need a short term place before buying/renting permanent home.

My family comes for 30 day rentals.

I oppose changing this definition of short term rental.

Toni Hartman

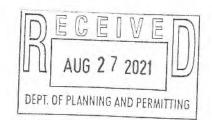


From: Claudia McCormack [mailto:claudron@hotmail.com]

Sent: Friday, August 27, 2021 12:56 PM

To: Takara, Gloria C Cc: Casey Lentz

Subject: DDP Draft Bill Short-Term Rentals and Transient Accommodations



CAUTION: Email received from an EXTERNAL sender. Please confirm the content is safe prior to opening attachments or links.

Attention: Brian Lee

Dear Brian Lee;

I am an owner of an apartment at Kuilima Estates East. My late husband and I purchased the apartment in August of 1998 for our retirement. He enjoyed it for a few years and sadly passed in 2002. I have worked hard to keep this for our family retreat. Each year something comes along to make it more difficult. I thought that last year when we were granted the ability to rent short term again, that I could breathe again. This year had been the best, until I heard about the bill affecting short-term rentals.

My family and I enjoy the ability to come to our second home on the North Shore. The ability to rent again has made it possible for us to do so. Thirty day rentals were hard enough, but 180 days is just not fair. Also to incur an initial fee of \$5000 and yearly fee of \$2500 is unsurmountable. I will soon be 72 and want to be able to enjoy my nest on the North Shore. I can only do this if I can rent it short term and visit when I can. We have a peaceful community with aloha abounding. The short-term rentals have not caused a problem.

Please don't let the people that carry a little more weight monetarily influence the important decision not to impose these new changes.

Thank you for your attention to this important matter.

Claudia Neubauer McCormack 57-068 Eleku Kuilima, Apt 155 Kahuku HI

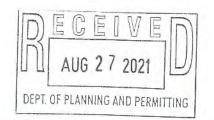
Sent from Mail for Windows

From: Aloha Alltheway [mailto:alohaalltheway10@gmail.com]

Sent: Friday, August 27, 2021 1:17 PM

To: Takara, Gloria C

Subject: Concerns to Proposed Amendments to Chapter 21 LUO, ROH



CAUTION: Email received from an EXTERNAL sender. Please confirm the content is safe prior to opening attachments or links.

To: Chair, Brian Lee

This email is to voice my concern about the proposed revision of the short term definition from 30 to 180 days.

We regularly rent to travel nurses and other professionals (many of them government employees) that need rental space anywhere from 1 to 3 months. We do not think we are in the B&B/travel business when renting space to these professionals (as opposed to hotels who rent for shorter than 30 days).

Especially in light of the current pandemic, there are a lot of travel nurses looking for shorter term rentals. Why would our elected officials make it more difficult for essential staff during these times to find a home they can relax in - away from the hustle and bustle of the hotel and resort areas?

We do not need to make it more difficult for any working professional that needs shorter terms stays above 30 days. What we do need, is enforcement of the current rules.

Please think about it.

Mahalo for your consideration.

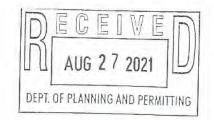
Sabine

From: george takahashi [mailto:keoki51@pacbell.net]

Sent: Friday, August 27, 2021 2:43 PM

To: Takara, Gloria C

Subject: september 1, meeting



CAUTION: Email received from an EXTERNAL sender. Please confirm the content is safe prior to opening attachments or links.

Dear Mr. Takara,

Please forward this e-mail to Mr. Ken Hayashida.

Mr. Ken Hayashida,

I am writing this e-mail to you because i am a high school classmate of your father, Kazuyoshi Hayashida, class of 1951, hilo high school.

i am writing to oppose the proposal which would increase the short term rentals from 30 days to 180 days.

This proposal will make large families unable to visit Oahu. For example, our family of 11 which includes 5 grandchildren, two who are 12 yeas old. we have been renting a home in Kailua for two weeks for 10 years prior to the pandemic. A 30 day rental period is difficult to deal with but manageable, 180 days is impossible.

The home we rent in Kailua rents for \$600.00 a day, \$18,000.00 per 30 days. 180 days is \$ 108,000.00.

Putting this house on the market will not solve the housing crunch. What average family on Oahu can afford it?

I was born and raised in the Territory of Hawaii but now live in Northern California. We visit Hawaii yearly so our grandchildren can be exposed to the Hawaiian culture my wife and i grew up in. There is no way our family of 11can afford to stay in a hotel in Waikiki for two weeks let alone eating out every day and the children being cooped up in a hotel room. Plus traffic and parking are difficult in Waikiki. If you have any children, I'm sure you can appreciate what i am relating to you.

If the proposal to extend short term rentals to 180 days, many families may bypass Oahu for other destinations.

I know my opinion is in the minority, but I thought I would at least try to put forth my view.

Please consider my view regarding this situation and if you agree with it, try to convince the other members of your committee to defeat this proposal.

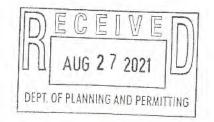
Sincerely,

George Y. Takahshi

From: Itsuji < itsuji@captaincookresorts.com > Sent: Friday, August 27, 2021 9:27 AM

To: info@honoluludpp.org

Subject: Re:proposed Amendments to Chapter 21



CAUTION: Email received from an EXTERNAL sender. Please confirm the content is safe prior to opening attachments or links.

Aug, 27 2021

To whom it may concern,

Regarding the proposed Amendments to Chapter 21 (Land Use Ordinance), Revised Ordinances of Honolulu (ROH)1990, as Amended, Relating to Transient Accommodations, I'm sending my comments and testimony in opposition.

We fully support enforcement actions against illegal Short-Term Rental operators in the residential district. However, I was cautioned by Mr. Uchida's argument that Hawaii should discourage tourism reflecting the local citizens' animosity toward the immensely increased number of tourists in Hawaii in the past 6-8 months.

- 1. I feel this judgement to be premature. This massive tourism is a rather common phenomena in many cities after the Covid lockdown. We need to wait and see how this Pandemic plays out.
- 2. The tourists in the residential district are a problem. However, this proposition is punished too broadly so that it may be affecting an unnecessary sector of livelihood of our economy. I believe there are unstudied blindsides to this proposal.
- 3. 180 days minimum for the whole island of Oahu except for a few resort zones. We need more deeper studies done before this big zoning issue. Oahu is more diverse than Maui and Kauai.
- 4. I believe the public is speaking out that the hotels are obsolete, not providing the needs for the current trend of lifestyle and space for family travelers. Especially during the Pandemic situation.
- 5. Hawaii's economy is still in limbo due to the lack of international tourists. Once again, Hawaii officials are speaking out prematurely that we do not want tourists. In the late 70's, Hawaii union deported foreign film makers, especially many Japanese film crew. They went away to Australia, New Zealand, and Thailand. They are still not back. Hawaii is not the only choice destination for Japanese tourism.

Sincerely,

Itsuji Hatano

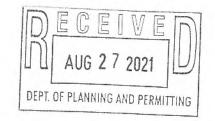
----Original Message-----

From: Jack ONeill [mailto:jackjoneill@yahoo.com]

Sent: Friday, August 27, 2021 8:38 PM

To: Takara, Gloria C

Subject: STR Ordnance Waikiki



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The 30 day minimum rental period for Waikiki rental properties is the best compromise to insure that both hotels and condominium owners are able to survive and function.

Condominiums with a

30 day minimum rental mandate attracts a segment of society that could not afford an extended stay in a hotel. It attracts an underserved group of hardworking retirees who can presently afford an extended vacation in Waikiki.

RECOMMENDATION:

LEAVE PRESENT SHORT TERM RENTAL ORDNANCE IN TACT.

Respectfully,

John O'Neill

Waikiki condominium owner.

Sent from my iPhoneJohn J ONeill

From: Brady Yee Pacific Contract [mailto:brady@pacific-contract.com]

Sent: Friday, August 27, 2021 3:25 PM

To: info@honoluludpp.org

Subject: Registering to Speak for the 9/1 Hearing

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DPP,

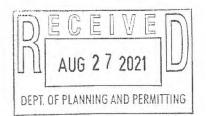
I am not in favor of Bill that will change the short term rental market from 30 days to 180 days. I am a native to Hawaii, born and raised here. The hotels interests are not in line with locals and it is grossly unfair to its residents and our homes and businesses.

There will be an economic fall out of a severe nature and locals will be pushed out of this state if Hotels continue to strong arm us for every precious resource remaining. We cannot allow them to do this to our residents. We need a fair trial.

I am appalled by this plan. Stop the bill from moving forward. Enough damage has been done.

cheers, brady yee

pacific contract honolulu, pacific northwest www.pacific-contract.com tel 808.216.8364





From: bill danyluk [mailto:billdanyluk@gmail.com]

Sent: Saturday, August 28, 2021 12:21 AM

To: info@honoluludpp.org

Subject: Wednesday, September 01, 2021, 11:30am

CAUTION: Email received from an EXTERNAL sender. Please confirm the content is safe prior to opening attachments or links.

### Aloha,

Please register me to speak at the Public Hearing Wednesday, September 01, 2021, 11:30am: Proposed Amendments to Chapter 21 (Land use Ordinance [LUO]), Revised Ordinances of Honolulu (ROH) 1990, as Amended, Relating to Transient Accommodations.

### Written Testimony:

When considering TVU-specific restrictions, please ask yourself why you are not putting these restrictions on the mega-rich hotel owners? Why are you trying to overly tax and burden the normal people that own TVUs. TVUs have been permitted principal use in the Waikiki resort zone since LUO's inception, just like hotels. There should not be restrictions on who can own a TVU, how many TVU units a person is allowed to own, or who can manage TVUs. These are explicit property rights under "permitted principal use" for the existing TVU owners in the Waikiki resort zone. The draft bill adds ownership restriction and registration requirements such as: only natural persons are eligible to have TVU, one person is restricted to have one TVU only, only hotels are allowed to manage resort zone TVUs in condo hotels, and registration requirements. These provisions are illegally taking vested property rights from existing TVU owners in the Waikiki resort zone.

It is clear that DPP understands the concept that government cannot take away vested property rights, by looking at the provisions written in the bill to preserve legal status of Non-conforming Use TVU. DPP also said publicly that NUC is legal status that cannot be taken away. But this draft bill not only ignores the fact that existing legal conforming TVUs in Waikiki resort zone should have at least the same property rights protection as NUC, it also puts more restrictions on legal Conforming TVUs in resort zone, than the Non-Conforming Use TVUs that are outside of the resort zone. Existing legal TVUs in Waikīkīs resort zone should not have these restrictions. Please consider the treatment of different property owners. Hotel and TVU use are both permitted principal use in the Waikiki resort zone. But hotel owners are not subject to any ownership restrictions. For example, is Marriott's owner only allowed to own and operate one Hotel building or even one hotel room in Waikiki?

TVU's in the resort zone are required to pay \$5000 registration fees, and \$2500 renewal fees annually. But no such fees are imposed on each hotel room/unit.

Hotels are not subject to any registration or application requirements that apply to TVU per the bill. A Hotel room can have 4 people in one room, TVU is limited to 2 people per bedroom.

Finally, please consider the fact that most TVUs are owned by regular people, not massive multinational hotel corporations. Regular people cannot manage extremely high registration and renewal fees or overly burdensome regulatory requirements. Please do not let the money and power of these large organizations sway your good and honest decisions.

Thank you for your consideration.

William Danyluk 484-515-2398

AUG 2 8 2021

DEPT. OF PLANNING AND PERMITTING

To whom it may concern,

Regarding the proposed Amendments to Chapter 21 (Land Use Ordinance), Revised Ordinances of Honolulu (ROH)1990, as Amended, Relating to Transient Accommodations, I hereby submit my comments and testimony in opposition.

I fully support enforcement actions against illegal Short-Term Rental operators. There is no need to change the definition from 30-days to 180-days, and I support every effort to properly enforce the 30-day minimum.

The draft Bill plans to ban the legal 30-day minimum vacation rentals in Apartment Precincts in Waikiki. I oppose this Bill for the following reasons:

- 1. There are people on Oahu who need rentals of less than 180-days. These uses include:
  - Families from out of State that are taking care of loved ones
  - · People moving to Oahu and looking to buy a home
  - · Families who are waiting for their new home to complete construction
  - · Government contract workers
  - · Traveling nurses
  - · Military PCS while looking for a home to buy
  - · Home Sellers who need to rent until they find a new property
  - · Film and TV crews while on a shoot

Those people don't need or want to stay at ocean front hotels paying expensive accommodation fees. There should be an option for them to stay at condos less than 180 days with affordable rates. This also benefits Hawaii's economy.

2. Some buildings in Apartment Precincts in Waikiki ban 30-day vacation rentals in their Building Bylaws, while there are some buildings that allow 30-day vacation rentals. If the purpose of this Bill is to protect neighbors, why not let Owners Associations decide by allowing their input? I do not believe the DPP should override those owners' rights and implement such a one-sided standardized rule ignoring each building's owners' opinion and right to decide.

While it is understandable banning illegal vacation rentals in more quiet "residential" neighborhoods such as Kailua or Hawaii Kai, it makes no sense for Waikiki. Waikiki is unique as a successful tourism destination, with many local businesses, restaurants, and shops, that depend on tourists. Healthy successful tourism needs a variety of accommodations that provide options to visitors. With this proposed Bill it is narrowing accommodations to only local residents with long term 180-day leases, who will not contribute to the special businesses aimed at tourism and income for business owners and the state of Hawaii.

It is obvious that this Bill is aimed to help the Hotel Industry in Waikiki. It does not benefit Oahu by providing healthy competition as it only promotes the vested interest of the Hotel industry and its revenue.

I also oppose this Bill for the following reasons:

1. Condo-Hotel properties MUST be operated by the Hotel: There are no illegal vacation rentals in condo- hotels. They are zoned as Hotel/Resort and many privately owned. I'm not a lawyer, but I think it may violate antitrust laws (In the United States, antitrust laws are a collection of federal and state government laws that regulate the conduct and organization of business corporations and are generally intended to promote competition and prevent monopolies). I cannot see any rationale in this move other than monopolizing the tourism market by protecting the hotel industry's interest and destroying legal property management companies.

Competition in this industry is vitally important to keep improving Hawaii's accommodation services and attracting visitors to Hawaii. Competition results in better service, better property management with increased tax income to the State that benefits all local residents.

2. At the City and County level, this bill will affect the market value of many properties. Affecting these values will affect tax revenues and their ultimate use.

There should be other ways to stop illegal vacation rentals or solve the issue of the shortage of housing for local residents.

Letting the Hotel Industry monopolize the Oahu's accommodation options will result in a ruined economy.

Name Robert Scott	
Date. 08/28/2021	
Signature Robert Scott	

----Original Message-----

From: Harry Mueggenburg [mailto:opa-m@comcast.net]

Sent: Saturday, August 28, 2021 10:15 AM

To: info@honoluludpp.org

Subject: Amendments to Chapter 21 (Land Use Ordinance), Revised Ordinances of Honolulu (ROH) 1990,

as Amended, Relating to Transient Accommodations

CAUTION: Email received from an EXTERNAL sender. Please confirm the content is safe prior to opening attachments or links.

August 28, 2021

To Whom It May Concern:

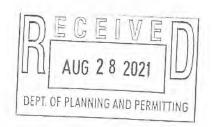
I fully support enforcement against illegal Short Term Rental operators. But, there is no need to change the definition from 30 days to 180 days. I also support every effort to properly enforce the 30 day minimum. The people of Hawaii, though, need to have the option of a 30 day minimum stay at a condo if so needed. The owners and their property managers should have that decision to make in regard to the need of the Hawaiian residents' request. There have actually been occasions when we have, during an emergency situation in Oahu, let someone use our condos.

I do not support that the Condo-Hotel properties MUST be operated by a Hotel. First of all, our condos are privately owned. Secondly, our two condos are designated as Hotel/Resort. Our condos, by law, are managed by a local property management company that has been in business for many, many years. We do NOT have daily maid service. Yet our condo is designated Hotel/Resort. Also, if we had a contract with a local Hotel organization, we are limited to a certain amount of time that we can use our own property. This is not acceptable as we inherited one of the condos and our family uses both on many occasions. Therefore, a ruling that a Hotel manage our privately owned property certainly is not lawful. We have the property management company rent them out to guests during the times we are not using the condos, in order to help pay all the expenses. GET and TAT taxes are collected, and paid for us, by our management company.

We have owned our two condos at the Waikiki Shore since the 90's. We have seen many great changes in the Waikiki area. All for the good of the Hawaiian people and the tourists from many countries. It makes us very happy to read comments that guests from all over the world enjoy their time at our condos and Waikiki. We are very proud to be part of the Aloha spirit. Please respect our wishes to stop illegal vacation rentals, but not change the definition of 30 day minimum to 180 days at the cost of a shortage of housing for your local residents.

Mahalo.

MARIANNE L. MUEGGENBURG 3525 Bluff Court Carmichael, CA 95608-2811



Owners: H. Harry and Marianne L. Mueggenburg, 1977 Living Trust Condo Address: 2161 Kalia Rd,

Condo 1110 and 1316

Honolulu HI

Email Address: <a href="mailto:opa-m@comcast.net">opa-m@comcast.net</a>

AUG 2 8 2021

DEPT. OF PLANNING AND PERMITTING

----Original Message-----

From: pat meyers [mailto:patmeyers88@gmail.com]

Sent: Saturday, August 28, 2021 9:00 AM

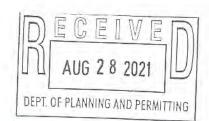
To: info@honoluludpp.org Subject: DPP RENTAL

CAUTION: Email received from an EXTERNAL sender. Please confirm the content is safe prior to opening attachments or links.

Please pass the DPP Rental Legislation. You must stop illegal rentals. Hawaii is being ruined by greed and carelessness.

Thank you, Pat Meyers 139 Alala Rd Kailua

Sent from my iPad



From: Kathie S [mailto:kathie@captaincookresorts.com]

Sent: Saturday, August 28, 2021 8:39 AM

To: info@honoluludpp.org

Subject: Testimony in opposition to Propsed Amendments regarding Short Term Rentals

CAUTION: Email received from an EXTERNAL sender. Please confirm the content is safe prior to opening attachments or links.

To whom it may concern,

Regarding the proposed Amendments to Chapter 21 (Land Use Ordinance), Revised Ordinances of Honolulu (ROH)1990, as Amended, Relating to Transient Accommodations, I hereby submit my comments and testimony in opposition.

I fully support enforcement actions against illegal Short-Term Rental operators. There is no need to change the definition from 30-days to 180-days, and I support every effort to properly enforce the 30-day minimum.

The draft Bill plans to ban the legal 30-day minimum vacation rentals in Apartment Precincts in Waikiki. I oppose this Bill for the following reasons:

- 1. There are people on Oahu who need rentals of less than 180-days. These uses include:
  - · Families from out of State that are taking care of loved ones
  - · People moving to Oahu and looking to buy a home
  - · Families who are waiting for their new home to complete construction
  - · Government contract workers
  - Traveling nurses
  - Military PCS while looking for a home to buy
  - · Home Sellers who need to rent until they find a new property
  - Film and TV crews while on a shoot

Those people don't need or want to stay at ocean front hotels paying expensive accommodation fees. There should be an option for them to stay at condos less than 180 days with affordable rates. This also benefits Hawaii's economy.

2. Some buildings in Apartment Precincts in Waikiki ban 30-day vacation rentals in their Building Bylaws, while there are some buildings that allow 30-day vacation rentals. If the purpose of this Bill is to protect neighbors, why not let Owners Associations decide by allowing their input? I do not believe the DPP should override those owners' rights and implement such a one-sided standardized rule ignoring each building's owners' opinion and right to decide.

While it is understandable banning illegal vacation rentals in more quiet "residential" neighborhoods such as Kailua or Hawaii Kai, it makes no sense for Waikiki. Waikiki is unique as a successful tourism destination, with many local businesses, restaurants, and shops, that depend on tourists. Healthy successful tourism needs a variety of accommodations that provide options

to visitors. With this proposed Bill it is narrowing accommodations to only local residents with long term 180-day leases, who will not contribute to the special businesses aimed at tourism and income for business owners and the state of Hawaii.

It is obvious that this Bill is aimed to help the Hotel Industry in Waikiki. It does not benefit Oahu by providing healthy competition as it only promotes the vested interest of the Hotel industry and its revenue.

I also oppose this Bill for the following reasons:

1. Condo-Hotel properties MUST be operated by the Hotel: There are no illegal vacation rentals in condo- hotels. They are zoned as Hotel/Resort and many privately owned. I'm not a lawyer, but I think it may violate antitrust laws (In the United States, antitrust laws are a collection of federal and state government laws that regulate the conduct and organization of business corporations and are generally intended to promote competition and prevent monopolies). I cannot see any rationale in this move other than monopolizing the tourism market by protecting the hotel industry's interest and destroying legal property management companies.

Competition in this industry is vitally important to keep improving Hawaii's accommodation services and attracting visitors to Hawaii. Competition results in better service, better property management with increased tax income to the State that benefits all local residents.

2. At the City and County level, this bill will affect the market value of many properties. Affecting these values will affect tax revenues and their ultimate use.

There should be other ways to stop illegal vacation rentals or solve the issue of the shortage of housing for local residents.

Letting the Hotel Industry monopolize the Oahu's accommodation options will result in a ruined economy.



#### Kathie Schmid - RA License #79356

Director of Business Development/Client Success, Captain Cook Resorts

1012 Kapahulu Ave Suite 110, Honolulu, HI 96816 p: 808-791-4380

e: kathie@captaincookresorts.com | w: www.captaincookresorts.com



"Your vacation home away from home!"

----Original Message----

From: Maui Hiking Safaris [mailto:mhs@maui.net]

Sent: Saturday, August 28, 2021 6:49 AM

To: gtakara@honolulu.org; info@honoluludpp.org

Cc: Waters, Tommy

Subject: Opinion on the Honolulu city council measures regards short term rentals

CAUTION: Email received from an EXTERNAL sender. Please confirm the content is safe prior to opening attachments or links.

Aloha Tommy and interested parties,

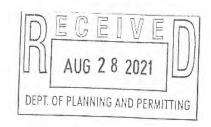
Keep it simple. We have all gone through hardships with the pandemic. The city of Honolulu's coffers have been depleted. The city's DPP, as a department, can implement a measure that can contribute to increasing revenue stream for the city. I reside in a condo/hotel within boundaries I consider to be part of the hotel jurisdiction. The Hilton Hotel is across the street for goodness sake. Just go ahead and tax these condo/hotels as you would tax a hotel. MONETIZE the issue and be content with the increase in revenue stream and be done with it.

That's all that has to be done. The council doesn't need to implement all the other restrictions ... i.e. one front desk, etc. For every action there is a reaction. Owners of these condos have the right to choose their own management companies and not be assigned one by a government entity. The city, taking this action, will put a lot of people out of a job with a trickle down effect to the periphery. The other restrictions being proposed by the DPP is just bureaucracy doing what it does best. The city is going to see lawsuits. Additional waste of time with the lawyers for opposing factions benefiting.

I understand the negativity of platforms like Air B&B and VRBO operating in residential neighborhoods and restrictions that have to be taken in these areas. Waikiki needs the rooms (without all the unnecessary restrictions) that are now no longer available in these residential neighborhoods.

Mahalo for hearing me out,

Randy Warner



From: Heather Radtke [mailto:hr352002@yahoo.com]

Sent: Saturday, August 28, 2021 4:47 AM

To: info@honoluludpp.org Subject: Oppose DPP draft bill



CAUTION: Email received from an EXTERNAL sender. Please confirm the content is safe prior to opening attachments or links.

To whom it may concern,

Regarding the proposed Amendments to Chapter 21 (Land Use Ordinance), Revised Ordinances of Honolulu (ROH)1990, as Amended, Relating to Transient Accommodations, I hereby submit my comments and testimony in opposition.

I fully support enforcement actions against illegal Short-Term Rental operators. There is no need to change the definition from 30-days to 180-days, and I support every effort to properly enforce the 30-day minimum.

However, the draft Bill plans to ban the legal 30-day minimum vacation rentals in Apartment Precincts in Waikiki. I oppose this Bill for the following reasons:

- 1. There are people on Oahu who need rentals of less than 180-days. These uses include:
  - Families from out of State that are taking care of loved ones
  - · People moving to Oahu and looking to buy a home
  - · Families who are waiting for their new home to complete construction
  - Government contract workers
  - · Traveling nurses
  - Military PCS while looking for a home to buy
  - Home Sellers who need to rent until they find a new property
  - Film and TV crews while on a shoot

Those people don't need or want to stay at ocean front hotels paying expensive accommodation fees. There should be an option for them to stay at condos less than 180 days with affordable rates. This also benefits Hawaii's economy.

2. Some buildings in Apartment Precincts in Waikiki ban 30-day vacation rentals in their Building Bylaws, while there are some buildings that allow 30-day vacation rentals. If the purpose of this Bill is to protect neighbors, why not let Owners Associations decide by allowing their input? I do not believe the DPP should override those owners' rights and implement such a one-sided standardized rule ignoring each building's owners' opinion and right to decide.

While it is understandable banning illegal vacation rentals in more quiet "residential" neighborhoods such as Kailua or Hawaii Kai, it makes no sense for Waikiki. Waikiki is unique as a successful tourism destination, with many local businesses, restaurants, and shops, that depend on tourists. Healthy successful tourism needs a variety of accommodations that provide options to visitors. With this proposed Bill it is narrowing accommodations to only local residents with long term 180-day leases, who will not contribute to the special businesses aimed at tourism and income for business owners and the state of Hawaii.

It is obvious that this Bill is aimed to help the Hotel Industry in Waikiki. It does not benefit Oahu by providing healthy competition as it only promotes the vested interest of the Hotel industry and its revenue.

I also oppose this Bill for the following reasons:

- At the City and County level, this bill will affect the market value of many properties. Affecting these values will affect tax revenues and their ultimate use.
- Competition in this industry is vitally important to keep improving Hawaii's accommodation services and attracting
  visitors to Hawaii. Competition results in better service, better property management with increased tax income to
  the State that benefits all local residents.

There should be other ways to stop illegal vacation rentals or solve the issue of the shortage of housing for local residents.

Letting the Hotel Industry monopolize the Oahu's accommodation options will result in a ruined economy.

Name	Heather Hadtke Kitabayashi	

Date /	Aug 28, 2021		
Signature	Heather Kitabayashi	(Digital signature)	

With great concern,

Heather Radtke Kitabayashi



From: Kate Schwoyer [mailto:kate.schwoyer@gmail.com]

Sent: Saturday, August 28, 2021 6:03 AM

To: info@honoluludpp.org

Subject: Amendments to Chapter 21 - Opposition

CAUTION: Email received from an EXTERNAL sender. Please confirm the content is safe prior to opening attachments or links.

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The draft Bill plans to ban the legal 30-day minimum vacation rentals in Apartment Precincts in Waikiki. I oppose this Bill for the following reasons:

- 1. There are people on Oahu who need rentals of less than 180-days. These uses include:
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  - Families who are waiting for their new home to complete construction
  - Government contract workers
  - · Traveling nurses
  - · Military PCS while looking for a home to buy
  - Home Sellers who need to rent until they find a new property
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are a collection of federal and state government laws that regulate the conduct and
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Letting the Hotel Industry monopolize the Oahu's accommodation options will result in a ruined economy.

Name: Catherine Schwoyer
--------------------------

Date	8/28	3/2021	
Signat	ure	Catherine Schwoyer	

----Original Message-----

From: Milanesinsurance [mailto:milanesinsurance@yahoo.com]

Sent: Saturday, August 28, 2021 10:30 AM

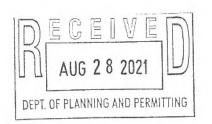
To: info@honoluludpp.org Cc: puida1975@gmail.com

Subject: Public hearing in September 1, 2021 - dpp Str bill

CAUTION: Email received from an EXTERNAL sender. Please confirm the content is safe prior to opening attachments or links.

I would like to testify at the public hearing in September 1, 2021. My name is Jorge Milanes and my phone number is (786) 413-4456. I own three properties at the Ilikai and I am deeply concerned you will be forcing me to use the hotel to rent my short term rental.

Please confirm receipt of this Email and confirm I will have my seat at this meeting to voice my concern. Thank you Sent from my iPhone



From: Stann Reiziss [mailto:reiziss@hawaiiantel.net]

Sent: Saturday, August 28, 2021 2:37 PM

To: info@honoluludpp.org

Subject: SUPPORT FOR THE DPP'S POSITION ON THE PLANNING COMMISSION'S ILLEGAL RESIDENTIAL

VACATION RENTAL BUSINESSES

CAUTION: Email received from an EXTERNAL sender. Please confirm the content is safe prior to opening attachments or links.

## SUPPORT FOR ENFORCEMENT OF THE ILLEGAL VACATION RENTAL BILL

Tourists are not residents and should be required to stay in legally zoned vacation rental areas and facilities.

If they want a "residential experience" they should move here like those of us who are the actual residents of our beloved State of Aloha.

Should the illegal operators and their vacation renting scofflaw visitors disagree with this policy, remember

"ALOHA" also means "GOODBYE"

Stann W. Reiziss, PhD 126 Kaluamoo Street, Kailua 96734 or P.O. Box 1517 Kailua-Oahu, Hawaii 96734 808-230-8199 (H) reiziss@hawaiiantel.net



From: Paul Spriggs [mailto:pspriggs@hotmail.com]

Sent: Saturday, August 28, 2021 2:30 PM

To: info@honoluludpp.org

Subject: SUPPORT - Changes to Chapter 8 and 21 of the Bill pertaining to Short Term rentals

DEPT. OF PLANNING AND PERMITTING

CAUTION: Email received from an EXTERNAL sender. Please confirm the content is safe prior to opening attachments or links.

Dear Gloria Takara,

Writing to fully support every proposed change being suggested to the LUO Bill regarding TVUs etc.

I have been opposing the proliferation of illegal short term rentals in Hawaii since 2002. We have yet to have any laws in place that affectively discourage this use of the limited housing stock that Hawaii has. The State should put the interests of its residents seeking affordable housing ahead of the investors seeking to capitalize off Hawaii at the expense of its residence. The current "cat and mouse" game played between people such as myself, the DDP and property managers, such as Elite, is both time consuming, and in most cases, futile for everyone but the rental property owner and property manager.

My neighborhood has seen four properties sell this year to mainland investors who are going to run SRTs. The owners claim they will do 30 day rentals, but that never happens. It is my understanding the Property Managers write "special" contracts to get around the 30 day issue. NOVs, which are hard to get issued now, impose a fine that is a fraction of the Rental daily rate. This fine is merely a "cost of business" that is gladly paid and probably laughed at by the Rental owner. Its is a snub to the residents and DPP staff who put so much energy into trying to maintain residential areas.

Please pass all the amendments such that, for once, the rules favor the residents as opposed to Property Mangers and their Investor Clients.

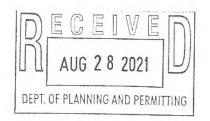
Regards Paul

Sent from Mail for Windows

From: Dick Hagstrom [mailto:rehagstrom@aol.com]

Sent: Saturday, August 28, 2021 2:25 PM

**To:** info@honoluludpp.org **Subject:** Short term rentals



CAUTION: Email received from an EXTERNAL sender. Please confirm the content is safe prior to opening attachments or links.

Please support and pass the DPP proposed changes to the short term rental ordinances, and in addition, please add a clause that will penalize any agent representing a short term rental owner. Residential communities and those looking for reasonable housing are hoping you will honor our years-long plea for relief.

Dick Hagstrom

From: Ken Kribel [mailto:kkribel@icloud.com]
Sent: Saturday, August 28, 2021 1:52 PM

To: info@honoluludpp.org

Subject: DPP proposal to destroy STR's



CAUTION: Email received from an EXTERNAL sender. Please confirm the content is safe prior to opening attachments or links.

The DPP' proposal is an attack on our individual rights in order to create a competition-free environment for hotels. Corporate hotels should not be controlling our officials and dictate where tourists should stay.

The experience of staying in a hotel and a private residence is completely different. The person who wants a home that is more spacious and has a kitchen is not going to stay in a much costlier hotel. They will go some place else that allows them to stay where they want to.

The problem is that one size does not fit all. Our building is not a residential property it has many timeshares they have guests coming and going every week. They are allowed to short term but individual owners cannot.

I understand that in strictly residential areas it can be an issue.

STR's need to be regulated not banished.

The profit for food and beverage for hotels (conventions, meetings, weddings) can be as much as 60%. STR's do not make any money on food and beverage. The guests are spending money at local stores and restaurants which small business really need. Jobs are created for housekeepers, maintenance people, gardeners, rental agencies not to mention local business job opportunities.

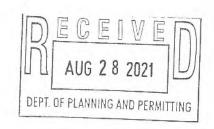
Do not cave into the hotels. Please support the small people who need it more that the big hotels. Without rental income we could not afford to own in Hawaii. It will force us to sell our home. Help us to keep our home!!

Ken Kribel Waianae ----Original Message----

From: Robert Guard [mailto:rhguard@icloud.com]

Sent: Saturday, August 28, 2021 12:50 PM

To: info@honoluludpp.org
Cc: starbotelho3@icloud.com
Subject: DPP STR Draft Bill hearings



CAUTION: Email received from an EXTERNAL sender. Please confirm the content is safe prior to opening attachments or links.

Myself and my partner, my two daughters (ages 51 &43) and their families regularly stay with STR's mostly on Oahu but also Kauai & the Big Island. None of us would even consider staying in a sterile corporate hotel in Hawaii. We always stay at rentals of local families where we get to know the families and our food and shopping dollars go directly to local businesses and their communities. These rentors all rely on their rentals to support their family homes. How can you even consider such a callus policy that is so detrimental to your local families. Our three families will not be vacationing in Hawaii if we can't rent from local STR's. Thank you, Robert H Guard, 201 Elrod Ave, Maupin, OR 97037. Cell: (503) 867-0865

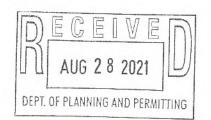
Sent from my iPad

From: Ken Darrow [mailto:ken.darrow@gmail.com]

Sent: Saturday, August 28, 2021 12:17 PM

To: info@honoluludpp.org

Subject: Changing the legal short term rental from 30 to 180 days



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I am a condo owner in Discovery Bay & this would have a a negative on me, I have paid the state of Hawaii a lot of money in taxes on 30 day rentals over

The last 40 years i have owned a condo in Discovery Bay, i will be forced to sell the unit, if the legal time is changed to 180 days, ken darrow, owner

From: Laurie Riebeling [mailto:lauriemtam@att.net]

Sent: Saturday, August 28, 2021 12:06 PM

To: info@honoluludpp.org

Subject: Proposed changes to Condo/Hotels



CAUTION: Email received from an EXTERNAL sender. Please confirm the content is safe prior to opening attachments or links.

## Dear Honolulu Planning Commission:

I have already written to your Commission regarding the proposed changes to "Transient Accommodations" in some Waikiki properties. I am a former resident of both Oahu and Maui, and have been long time owner of a lovely unit in The Waikiki Banyan. I consider my unit as a "Second Home" and very soon, I will have my 3rd stay for the year. (And I am fully vaccinated.)

When I purchased my unit, and completed a major renovation, I bought with the intention of living there at some point. As I stated in my previous email dated August 26th, I understand the challenges that come with unbridled "AirBnb" type accommodations that sweep into backyard Ohana units, and the like. They can be disruptive to the fabric of a neighborhood. But as I stated earlier, I do NOT feel that this is the case for buildings such as The Waikiki Banyan. We have always had a great mix of owner occupied, long term renters, and Transient Accommodations.

So when I looked closer at the proposed changes, I was "floored" reading the proposals listed below:

# "Units in a condominium-hotel must be part of the hotel's room inventory"; "Each natural person may own no more than one unit that is registered as a B&B or TVU; To allow TVUs in the Gold Coast;

I am really confused. What do any of these proposals have to do with neighborhoods in Waikiki?

And, all 800+ units in The Banyan are supposed to part of some "Hui" run by The Hotel Industry? I would not be allowed to have my own choice of an "On Island" management company? My management company is local, does a fabulous job, and even has their own Handyman to keep our places in fabulous shape. I should have every right to select my own management company. And if they are not doing due diligence to me or my "second home," then I should not loose the right to replace them.

And you are proposing that if I bought a unit just on the other side of The Park on The Gold Coast, I could have my unit as I please? That doesn't make sense. What about The Diamond Head Neighborhood? We ALL purchased Condominiums, that did not have these restrictions.

This all seems very arbitrary. It is one thing to redevelop a property such as The Ala Moana Hotel, and then sell units that are really "hotel rooms" and that Buyers know going in that they cannot live there full time, remodel as they like, and will have many other restrictions on renting their units out. But we all purchased units at The Banyan, that were more expensive (and have held their value) because it is a property that had it all. The Banyan is a residence AND a short

term rental property. That is why its called a "CONDO-HOTEL. Owners of Condominiums are allowed all the flexibility that is within their respective HOA's. And when FEE SIMPLE was offered well over 10 years ago from The Liliokalani Trust, I paid the large sum of \$\$\$ to move from LEASE HOLD. And now you seek to put restrictions own my place?

Leaving us as we are is the right thing to do. We have "Locals" living in our building. And they park in our building. We aren't messing with the fabric of our neighborhood. That may be a problem in Hawaii Kai, The North Shore, or Kailua. That will not be solved with these proposals.

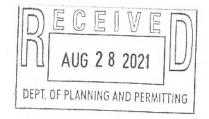
I truly hope you will take my comments under considerations.

Mahalo,

Laurie Riebeling Waikiki Banyan #2814 From: Linda Opple [mailto:ljopple@gmail.com] Sent: Saturday, August 28, 2021 11:33 AM

To: info@honoluludpp.org

Subject: DPP Bill



CAUTION: Email received from an EXTERNAL sender. Please confirm the content is safe prior to opening attachments or links.

I support the new DPP proposed bill regarding new vacation rentals. It has been over 20 years of talking regarding this problem. Now is the time to do something and it looks like the DPP has listened to the community.

Linda Opple



----Original Message-----

From: Phyllis Young [mailto:alohaphyllis@icloud.com]

Sent: Saturday, August 28, 2021 11:18 AM

To: info@honoluludpp.org Subject: B&B in Hawaii

CAUTION: Email received from an EXTERNAL sender. Please confirm the content is safe prior to opening attachments or links.

Hopefully, words from people of the same mindset as me will be honored and factored into the final form and the final vote.

We are living in a time when the little people do not have a voice. Here in Hawaii, our C&C representatives have not only listened to the hotel industry but done their bidding. The battle for people to have legitimate B&B business has been going on for just under 40 years now. Willing people to be licensed who desire to take the place of those who once had and B&B permit and have let those licenses expire. What does that say about our Oahu representatives?

The first point that I want to make is that Hawaii attracts different kinds of visitors. Some prefer to stay at a hotel but more and more people are choosing to have a different experience of their visit in Hawaii. Many people come to Hawai for visits with family but their family does not have room for them. Weddings, funerals and family reunions bring many people to Oahu. These people cannot afford the high cost of hotels but they also want to stay at a location other than Waikiki where they can be near their family. Other people who are in construction and are being contracted to do jobs here on our island. They want to be near the work location as well as the fact that they cannot afford hotel prices. Why are the hotels threatened by such visitors choosing to stay other than their hotels.

The increased number of people experiencing COVID symptoms is requiring our state to bring nurses and other first responders to our state. Such people need to find lodging other than staying at a hotel. Many of these people are not willing to come for periods of six months or more.

The second point that I want to make is the huge loss of income that our state will lose by demanding that all rentals be for a minimum period of six months. Do the research and you all find that the math speaks for itself. Usually, people say "follow the dollar." It makes me wonder how the hotels have fattened the pockets of our representatives. Because it is very clear that the hotels are having way too much weight in this new bill.

It is my experience that B&B rentals get a bad reputation because there are investors who are buying homes for the purpose of renting them as B&B homes. Because the owners do not live on the property, B&B renters are not considerate of their neighbors and noise has become a problematic issue. The rules should be changed to insist that an owner or a representative live on the property so that there can be someone to insure that noise rules are respected.

What has happened to our islands when Aloha has been lost and people complain about visitors coming to stay here?

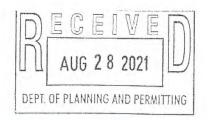
Warm aloha,

Phyllis Young <u>alohaphyllis@icloud.com</u>

From: Evalani Exner [mailto:Evalani@haroskyhomes.net]

Sent: Saturday, August 28, 2021 10:35 AM

**To:** info@honoluludpp.org **Subject:** Short term Rentals



CAUTION: Email received from an EXTERNAL sender. Please confirm the content is safe prior to opening attachments or links.

Dear HNL planning,

Please reconsider the ramifications of changing the time period for Short Term Rentals. More often than not, we work with clients that are preparing to leave the island and are selling their home. It usually is a few months of housing that is needed. We also work with clients that come to the island and need to rent for a month or two as we find and close their new purchase. Please consider all those that do seek temporary housing are also paying a higher lease as opposed to a long-term rental. Thank you for your consideration!

Mahalo,

Evalani Exner, REALTOR, License #RS-51722

Cell: (808) 348-7883

Email: evalani@haroskyhomes.net

SEE HOMES HERE

Harosky Homes, LLC RB-23231

91-1010 Shangrila Street, Ste. 200

Kapolei, HI 96706

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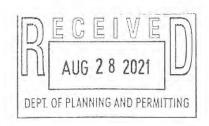
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- 1. There are people on Oahu who need rentals of less than 180-days. These uses include:
  - Families from out of State that are taking care of loved ones
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2. Some buildings in Apartment Precincts in Waikiki ban 30-day vacation rentals in their Building Bylaws, while there are some buildings that allow 30-day vacation rentals. If the purpose of this Bill is to protect neighbors, why not let Owners Associations decide by allowing their input? I do not believe the DPP should override those owners' rights and implement such a one-sided standardized rule ignoring each building's owners' opinion and right to decide.

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unique as a successful tourism destination, with many local businesses, restaurants, and shops, that depend on tourists. Healthy successful tourism needs a variety of accommodations that provide options to visitors. With this proposed Bill it is narrowing accommodations to only local residents with long term 180-day leases, who will not contribute to the special businesses aimed at tourism and income for business owners and the state of Hawaii.

It is obvious that this Bill is aimed to help the Hotel Industry in Waikiki. It does not benefit Oahu by providing healthy competition as it only promotes the vested interest of the Hotel industry and its revenue.

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1. Condo-Hotel properties MUST be operated by the Hotel:
There are no illegal vacation rentals in condo-hotels. They are zoned as Hotel/Resort and many privately owned. I'm not a lawyer, but I think it may violate antitrust laws (In the United States, antitrust laws are a collection of federal and state government laws that regulate the conduct and organization of business corporations and are generally intended to promote competition and prevent monopolies). I cannot see any rationale in this move other than monopolizing the tourism market by protecting the hotel industry's interest and destroying legal property management companies.

Competition in this industry is vitally important to keep improving Hawaii's accommodation services and attracting visitors to Hawaii. Competition results in better service, better property management with increased tax income to the State that benefits all local residents.

 At the City and County level, this bill will affect the market value of many properties. Affecting these values will affect tax revenues and their ultimate use.

There should be other ways to stop illegal vacation rentals or solve the issue of the shortage of housing for local residents.

Letting the Hotel Industry monopolize the Oahu's accommodation options will result in a ruined economy.

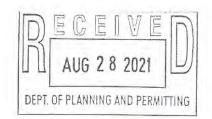
Name	SHINTA OHI	
Date	8/28/2021	
<u>Signature</u>	& Euro Oli	

From: Kathy Davey [mailto:kathymaui@outlook.com]

Sent: Saturday, August 28, 2021 4:19 PM

To: info@honoluludpp.org

Subject: Fw: DPP STR Draft Bill - Unconstitutional (Spelling correction)



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From: Kathy Davey < <a href="mailto:kathymaui@outlook.com">kathymaui@outlook.com</a>>
Sent: Saturday, August 28, 2021 4:16 PM

To: info@honoluludpp.org <info@honoluludpp.org>
Subject: DPP STR Draft Bill - Unconstitutional

### Aloha,

Thank you for the opportunity to submit this testimony. My husband and I own a LEGAL short term rental in a "Condotel" in the resort district of Waikiki. It is managed by a local company that provides jobs and the money earned stays in the community. This bill proposes an unconstitutional taking by limiting our private property rights. The US Supreme Court determined our private property rights are protected by "an investment backed expectation". This ordinance attempts to force us to relinquish our property management to a hotel that is not locally owned (Aqua-Aston Hospitality is an operating business of Marriott Vacations Worldwide Corporation).

Additionally, our private property manager pays his staff more than what they earn by working at a chain hotel. Almost every week there is a story about "How do we create economic opportunities for our residents? Here you have many LEGAL short term management companies that provide local jobs and keep the revenue earned in the community, companies that are home grown and profiting, and this bill will virtually eliminate them in favor of the hotel industry.

My husband and I are in our 60's and 70's and are counting on our **rental revenue for retirement**. Our revenue would be reduced by approximately 50% as Marriot profits. The DPP states that this "should result in more long-term housing stock being made available for residents by eliminating and prohibiting short-term rentals (STRs)".

Would making our studio in Waikiki a part of Marriot Hotels create more housing? NO Is it constitutional for the County to take private property, in violation of the takings clause of the US Constitution and turn it over to the hotel industry? NO

I urge the County to reject this ordinance in its entirety.

New laws or ordinances will not 'fix' lack of enforcement of the current laws.

Thank you, Chris and Kathy Davey Full time residents of Honolulu From: Kelly Darling [mailto:kellyhdarling@gmail.com]

Sent: Saturday, August 28, 2021 4:02 PM

To: info@honoluludpp.org

Subject: I support most amendments to the short-term rental draft bill



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Aloha,

I support the proposed amendments to the Short-Term Rental Ordinance Draft Bill with two exceptions.

- 1) Please consider changing the allowable duration of short-term rental stays to:
  - A. no less than 90 consecutive days for "transient occupants" and
  - B. no less than 30 consecutive days for current residents of Hawai'i with a valid State of Hawai'i ID.
- 2) Please consider defining a "transient occupant" as anyone who
  - A. is not a current resident of the state of Hawai'i and
  - B. does not hold a valid State of Hawai'i ID.

Kaimaaina with valid ID must be allowed to rent housing for no less than 30 consecutive days. All of us at some point in our lives need access to short-term housing for less than 180 days. For example, short-term housing may be needed when,

- A. families are waiting for a new home to become available;
- B. a home renovation necessitates moving out for a few months;
  C. loved ones from another island travel to Oahu to care for family;
- D. a recent college graduate has yet to be hired and thus does not know where on the island they will be living long term;
- E. there are too few affordable long-term rental options and one is waiting for a suitable long-term rental to become available.

I support reducing the proposed 180 day minimum to 90 because, in some cases, having that option available to transient occupants benefits Hawai'i. Allowing short-term rentals of no less than 90 consecutive days would better accommodate, for example,

- A. nurses residing on Oahu temporarily to help during the pandemic;
- loved ones from the mainland staying on Oahu to care for family;
- C. skilled temp workers from the mainland here to build infrastructure in non-resort areas of Oahu.

I support the expanded enforcement authority and budget in the draft bill. Lax enforcement against illegal short-term rentals directly contributes to too few and over priced long-term rentals. Working class individuals and families, the backbone of the Hawaiian economy, cannot afford to live near to where they work. As a consequence, too many of Oahu's residents must spend precious time commuting long distances in excessive traffic rather than with ohana. Long commutes also mean more cars are on the road, contributing to increased environmental damage to the Aina.

Thank you for your time, Kelly Darling

From: ELIZABETH PERRY [mailto:diamondheadliz@aol.com]

Sent: Saturday, August 28, 2021 3:25 PM

To: info@honoluludpp.org

Subject: Fwd: Proposed amendment Chapt 21 Relating to transient accommodations

DEPT. OF PLANNING AND PERMITTING

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## Subject: Proposed amendment Chapt 21 Relating to transient accommodations

Proposed amendment Chapt 21 Relating to transient accommodations \

I own two rentals both are long term but there has been from time to time rented on a month to month basis. I have always paid the TAT taxes when this occurred. Im shocked to hear that there is consideration that there be "No rentals under 6 months in all residential zones." This just seems outrageous and an affront to my rights as a home owner. I oppose a number of aspects to the proposed changes (see below) but not having the freedom to be able to rent for less than 180 days is my biggest objection. These days we hear a lot about personal freedoms, property rights should be at the forefront of these freedoms.

Although the below list does not all pertain to my situation, I am also concerned by these ramifications to the amendment.

- 1. No rentals under 6 months in all residential zones.
- 2. You cant live in your unit if its in a resort zone/ all Condo hotel. Many people currently do so they will be evicted per this bill.
- All short term rentals are taxed at resort rate, some cases it will increase their rate by 5-6X. This
  will include all NCU units that were previously ruled to be grandfather in to their residential tax
  rates.
- 4. You can no longer stay in your hotel unit for free, you must pay market rate and ALL taxes any time you stay in your own unit.
- 5. You can't mange your unit or pick your property manager, the hotel must do it. Even at Kuilima Turtle bay where they currently don't manage any units forcing owners to pay the higher rates hotels charge for management. This gives the hotels a complete monopoly, allowing them to charge anything they want. They also decided the nighty rate talking away any and all control from the property owner.

From: Jieming Xie [mailto:jieming.xie@yahoo.com]

Sent: Saturday, August 28, 2021 6:57 PM

To: info@honoluludpp.org

Subject: Proposal of Long Term from 30 days to 180 days



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Aloha State Official,

I would like to voice my opinion on the revision on short-term rental from 30 days to 180 days:

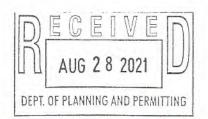
- 1. I fully support enforcement actions against illegal Short-Term Rental operators. There is no need to change the definition from 30 days to 180 days. We just need to properly enforce the 30 day rule.
- 2. As licensed real estate professional, I frequently encounter people on Oahu who need rentals of less than 180 days. These uses include:
  - Families from out of State that are taking care of loved ones
  - People moving to Oahu and looking to buy a home
  - Families who are waiting for their new home to complete construction
  - Government contract workers
  - Traveling nurses
  - Military PCS while looking for a home to buy
  - Home Sellers who need to rent until they find a new property
  - · Film and TV crews while on a shoot
- 3. It is overly broad to include all rentals 30 days or greater as Short-Term Rentals and will harm many local property owners as well as the Tenants that stay in their homes.

Best, Jay From: Graciela [mailto:hrebase-graciela@yahoo.com]

Sent: Saturday, August 28, 2021 8:58 PM

To: info@honoluludpp.org

Subject: Coment for DPP draft proposal for STR



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Aloha City and County of Honolulu Planning Commission.

Even if the City chooses to disregard the mountain of lawsuits as well as the political repercussions that will ensue if this draft is approved, the City would be failing to consider the following:

While Ordinance 18-19 was designed to eliminate illegal STRs, after almost 2 years not only it is far from being fully implemented, it's partial implementation still has not addressed the main problem of illegal online listings. The most important and effective tool that Bill 89 has is the removal from online booking engines such as Airbnb and Expedia/ VRBO of all listings that are offered for periods under 30 days that do not include the property TMK and the operator's TAT number, included in the MOUs signed by the City last November.

To this day there are still HUNDREDS of active illegal listings that still advertise in these platforms either without the required numbers or with TMK numbers that place them in residential areas without NUCs.

The City should first finish at least the illegal listing removal implementation of Ordinance 19-18 that involves eliminating thousands of illegal listings and see what effect that elimination produces instead of proposing to remove perfectly legal TVUs within the resort areas that have operated legally for decades.

If the time comes that the City of Honolulu decides that it is still necessary to further reduce the number of rooms offered, then the pain should be shared by both Hotels and STRs and the same percentage of legal STRs and hotel rooms should be shuttered.

Please do not favor one industry over the other.

Thank you for your time and consideration.

Graciela Chiodini.

From: Hector Trapani [mailto:hrebase-hnl@yahoo.com]

Sent: Saturday, August 28, 2021 8:45 PM

To: info@honoluludpp.org

Subject: Proposed Amendments to Chapter 21 (LUO), Revised Ordinances of Honolulu (ROH) 1990,

Relating to Transient Accommodations

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City and County of Honolulu Planning Commission.

I have never seen a more blatant power grab attempt by the Hotel lobby in the more than 35 years that I have been associated with the tourism industry.

Doesn't the City realize that it's being used as a battering ram to annihilate an industry that has legally operated within the resort zoned buildings in Waikiki for decades?

Whether it is achieved by charging \$5000 to register the STR and \$2500/year to renew it, or forcing all STRs within buildings that also operate a hotel to be managed by the hotel, or creating a mountain of extra requirements to operate an STR to effectively suffocate the small operator, the hand of the Hotel lobby is clearly seen throughout this proposed draft.

My wife and I have been directly connected with the hotel industry since 1996 and with retirement age looming, a few years go we bought our first of 3 apartments to be eventually turned into vacation rentals.

Scrupulous care was taken to choose properties within buildings that were properly zoned and that internal HOA rules would allow such use regardless of how capricious the requirements seemed to be.

We are turning 65 within the next 12 months and just when we are ready to start out the City of Honolulu comes up with this proposal that changes the very same rules that the City has had in place for decades.

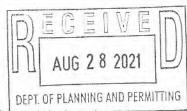
Our case is just a tiny example of literally hundreds upon hundreds of small STR operators that have played by the rules within the resort zoned buildings in Waikiki.

And finally can the City honestly believe that it is fair to charge a vacation rental owner the same Real Estate Tax than a Hotel when a Hotel's square foot assessed value is sometimes one half of the STR's and the potential for business considering the various commercial activities within the hotel besides lodging is so much greater.

I urge the City not to favor one industry over the other and for once think of the small guy, we follow the City's rules to the T, we just expect the City to hold it's end of the bargain.

Thank you for your time.

H. Trapani 1-805-419-0784

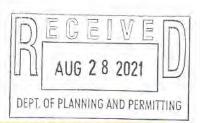


From: Wendy Chen [mailto:chenw5424@gmail.com]

Sent: Saturday, August 28, 2021 7:22 PM

To: info@honoluludpp.org

Subject: Opposing DPP proposed bill regulating short term rental



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The bill added provisions restricting legal TVUs in Waikiki resort zone that constitute illegal taking of vested property rights, and unequal treatment of different property ownership. The intent of the bill is to eliminate impact of short term rentals in RESIDENTIAL NEIGHBORHOODS. That is what DPP should focus on. They should not spend additional resources in attempting to restrict Legal TVUs in Waikīkīs Resort Zone where TVUs belong.

- 1. TVU has been the permitted principal use in Waikiki resort zone since LUO's inception, just like hotels. There is no restrictions on who can own TVU, how many TVU units a person is allowed to own, who can manage TVU. These are explicit "as of "property rights that come with "permitted principal use" for the existing TVU owners in Waikiki resort zone. The draft bill added ownership restriction and registration requirements. Under these provisions, some existing TVU owners in resort zone are deprived of their permitted TVU use: if TVUs is owned by LLC or Trust, it will be disallowed; if owner has multiple legal TVUs, only one TVU is allowed, the rest will be disallowed. These provisions are illegal taking of vested property rights from existing TVU owners in Waikiki resort zone.
- 2. It is clear that DPP understand the concept of government cannot take away vested property rights, by simply looking at the provisions written in the bill to preserve legal status of Non-conforming Use TVU. DPP also said publicly that NUC is legal status that cannot be taken away. But this draft bill not only ignores the fact that existing legal conforming TVUs in Waikiki resort zone should have at least the same property rights protection as NUC, it also puts more restrictions on legal Conforming TVUs in resort zone, than the Non-Conforming Use TVUs that are in outside of resort zone. Existing legal TVUs in Waikikis resort zone should not have these restrictions.
- 3. Let's look into treatment of different property owners. Hotel and TVU use are both permitted principal use in Waikiki resort zone. But hotel owners are not subject to any ownership restrictions.
- 4. TVU's in resort zone are required to pay \$5000 registration fees, and \$2500 renewal fees annually. But no such fees are imposed on each hotel room/unit.
- 5. Hotels are not subject to any registrations or application requirements that apply to TVU per the bill. A Hotel room can have 4 people in one room, TVU is limited to 2 people per bedroom.
- 6. TVUs in condo hotel needs to be run by hotels.
- 7. Hotel use is added to Waikiki mixed use apartment zone. TVU use is added to A2 apartment zone in gold coast. Are there objective and measurable criteria for making these changes? Why is TVU not added to Waikiki mixed use apartment district as permitted use?

From: Josephine "JT" Michael [mailto:Jtmichael@pm.me]

Sent: Saturday, August 28, 2021 7:00 PM

To: info@honoluludpp.org

Subject: Request to provide oral testimony for September 1st meeting at 11:30am

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### Aloha

I would like to submit oral testimony during the meeting. My name is Josephine Michael and I am a property manager. My phone number is: 808-798-3108.

Topics I want to cover: an retired person named Glen will be closing on a studio unit at the Island Colony on Sept 7th. He is a 'snow bird' and wants to live in his unit during the winter months and then go back to the mainland during the warmer months and rent out his unit doing a 30 day rental and avoiding the rental pool. He is retired and can not afford to pay a mortgage, maintenance, insurance and taxes as well as pay to stay in his unit. The entire purpose of him buying his retirement home will be taken away from him if this legislation passes.

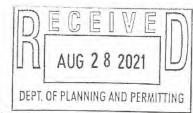
This legislation will negatively impact the real estate market because people will be forced to sell because their expenses are more than what they could get renting the unit long term. They would be loosing too much money every month.

Why do Hotels and companies like Aston have so much power they can tell owners what they can do with their property? That is like buying an expensive new car and a rental car company comes and takes the car and puts it in its fleet of rental cars and tells the owner that if you want to drive your car you have to pay the same price as someone off the street who wants to rent your car and you still have to pay all of the taxes and registration and we will take half of the profits. Please will not want to do that. That will cause property values to plummet.

Also, making the NCU permits non-transferable and have it not run with the land makes property ownership even less attractive on Oahu.

Please register me for the webinar and I will see you on Wednesday morning.

Josephine Michael (808) 798-3108



----Original Message----

From: Maui Hiking Safaris [mailto:mhs@maui.net]

Sent: Saturday, August 28, 2021 7:42 AM

To: Takara, Gloria C

Subject: Opinion on the Honolulu city council measures regards short term rentals

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Aloha Gloria,

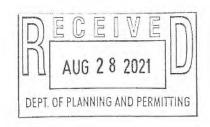
Keep it simple. We have all gone through hardships with the pandemic. The city of Honolulu's coffers have been depleted. The city's DPP, as a department, can implement a measure that can contribute to increasing revenue stream for the city. I reside in a condo/hotel within boundaries I consider to be part of the hotel jurisdiction. The Hilton Hotel is across the street for goodness sake. Just go ahead and tax these condo/hotels as you would tax a hotel. MONETIZE the issue and be content with the increase in revenue stream and be done with it.

That's all that has to be done. The council doesn't need to implement all the other restrictions ... i.e. one front desk, etc. For every action there is a reaction. Owners of these condos have the right to choose their own management companies and not be assigned one by a government entity. The city, taking this action, will put a lot of people out of a job with a trickle down effect to the periphery. The other restrictions being proposed by the DPP is just bureaucracy doing what it does best. The city is going to see lawsuits. Additional waste of time with the lawyers for opposing factions benefiting.

I understand the negativity of platforms like Air B&B and VRBO operating in residential neighborhoods and restrictions that have to be taken in these areas. Waikiki needs the rooms (without all the unnecessary restrictions) that are now no longer available in these residential neighborhoods.

Mahalo for hearing me out,

Randy Warner

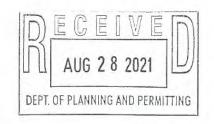


From: lbhawaii@aol.com [mailto:lbhawaii@aol.com]

Sent: Saturday, August 28, 2021 5:03 PM

To: Takara, Gloria C

Subject: legal short term rentals North Shore



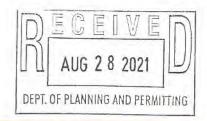
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Dear Planning Commissions and Brian Lee. I'm not sure whose side you are on? I have done everything correctly. I pay my tax's, I work in the travel industry and I'm trying to survive in Hawaii to the best that I can with all the increasing cost? I feel you are haphazardly playing with citizen's lives when you want to implement new laws that would create havoc to legal short term rentals. I have a legal short term rental at Kuilima Condo's. I pay the GE tax, TAT tax and have legal vocational condo insurance. I pay legal cleaning fee's. I break even each year due to all legal cost. I'm not a hotel that has the luxury of passing cost to guest. However I'm extremely important to our economy. I fuel the gap of the people that spend money at our locale restaurants, stores, airlines etc. We even help the hotel industry. With out us people would (or could not) book their weddings and special occasions if a family wouldn't be able to stay at my condo. Let's move on to other visiting guest? If we cater to the wealthy only? Or demographics of certain regions? I feel Hawaii will experience a backlash of tourist that will feel unwelcomed for future generations. Please stop making these broad laws that effect the lives of ordinary citizens of Hawaii that are just trying to make a living and help Hawaii's economy? I feel our rights are being taken away. Hopefully you will do the right thing and vote against this. Aloha and thank you. Cynthia Danon

From: Backpackers Hawaii [mailto:info@backpackershawaii.com]

**Sent:** Saturday, August 28, 2021 9:35 PM **To:** Takara, Gloria C; info@honoluludpp.org

Subject: DPP recommendations



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Aloha, My name is SharLyn Foo. My late brother Mark Foo and parents my and I have been operating legal vacation rentals since 1989. This is a third generation business. Once again fighting to retain our rights.

I would like to bring these facts to your attention.

The Northshore is very different from other parts of Oahu, there is very little if any A1 or A2 zoning .There are are 800 Nonconforming certificates across the island of Oahu . And total of 72 for the entire Northshore of Oahu .There are 30 or so at Kuilima condos That means 40 scattered thru the Northshore that are zoned residential.

NUC Certificates are give and paid for by unit not TMK. With the proposed fees if you had duplex that would be 2 units 1 TMK the cost would be \$10000 to register and \$5000 annually We have 5 TMK but register 12 units. You are asking me to pay \$65000 to register and and \$30000 a year.

This is my children and my only source of income. We do not make that kind of money. These costs would put my family OUT of business after all these years of doing the right things. Including paying all fees and taxes and upgrading my cesspools to septic systems to meet current EPA standards.

The bill states that there will no longer be any B&B or TVU allowed in residentially zoned areas. We am not alone . Please consider how these amendments will affect different parts of this island.

This seems to be targeted at the current legal residentially zoned certificate holders. We are not a luxury home, we are not a hotel and we don't make that kind of money.

The family properties are all residential r-5 zoned.

I have conferred with a real estate professional and in their opinion, because of the unique lack of sewer connection, on the Northshore, the highest and best use of residential property on the Northshore is a single family, 5 bedroom house.

According to the real estate broker, this would not constitute affordable housing.

We have endured and survived the proliferation of illegal rentals for over 30 years. We welcome any kind of enforcement, but placing the funding on the backs of the current legal folks is egregious and unfair.

Is the point of these recommendations about enforcement or trying to stop legal rentals. These recommendations have nothing to do with illegal rental enforcement Bill 89 and 55 that passed to 2019 addressed these same issues and more and the commission and city council overwhelmingly voted in favor of passage.

If there are no more certificates allowed in residentially zoned areas, changing the current residential certificate holder's property tax rate to hotel resort is wrong.

To keep changing the terms and the requirements with the city constantly is excessive. I am and should be grandfathered in all rights.

From: Cathy Olson [mailto:ocathy216@gmail.com]

Sent: Saturday, August 28, 2021 10:03 PM

To: info@honoluludpp.org

Subject: DPP STR bill -taking away property rights from legal TVUs in Waikiki Resort Zone

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The intent of the bill is to eliminate impact of short term rentals in RESIDENTIAL NEIGHBORHOODS. But The bill added massive provisions restricting legal TVUs in Waikiki resort zone that take away property rights from existing owners of legal TVUs, and favor hotels. This part of the bill relating to resort zone completely failed to meet the objective of the bill. Why is DPP spending additional resources in attempting to restrict legal TVUs in Waikiki resort zone where TVUs belong? Any problems with TVUs are outside the resort zone, primarily in residential neighborhoods. Therefore, any new proposals should seek simply to allow effective policing of the current zoning.

- 1. TVU has been the permitted principal use in Waikiki resort zone since LUO's inception, just like hotels. We ,the existing legal TVU owners in Waikiki resort zone, we bought them because of permitted TVU use. But under this bill:
- a. If my property is owned by LLC or any legal entity that is not a natural person, my vested right to TVU use will be taken away by you.
- b. If I currently own more than one TVU, I am only allowed to keep one, and you will take away the rest of them from me.

I am a local resident. I operate legal TVUs in the Waikiki resort zone. Over the past 7 years I have dedicated my efforts to operate a legal TVU business to support my family. I see no justification for seeking to destroy my livelihood by arbitrarily removing my property rights.

I am confident DPP understands the concept of government cannot take away vested property rights, There are well written provisions in the bill to preserve legal rights of Non-conforming Use TVU. DPP also said publicly that NUC is legal status that cannot be taken away. But your new provisions totally ignore the fact that existing legal conforming TVUs in Waikiki resort zone should have at least the same vested property rights, as non-conforming use TVU. Not only that, you put more restrictions on legal Conforming TVUs in resort zone, than the Non-Conforming Use TVUs that are in outside of resort zone in residential areas.

None of these ownership restrictions apply to hotel owners.

Existing legal TVUs in resort zone of Waikiki are also subject to registration requirements and application and approval process with DPP, in order for us to be able to use our property, despite the fact TVU use is the granted permitted principal use in the LUO for decades. None of these requirements applies to hotels. For example, \$5000 registration fee, and \$2500 renewal fees are not imposed on every hotel room. No occupancy limit or sleeping arrangement is imposed on hotel rooms.

The bill also contains expansion of hotel use into Waikiki apartment and apartment mix use zone, and expansion of TVU use into A1/A2 zone in gold coast. Are there objective and measurable criteria for making these expansions that you can share with the public?

----Original Message----

From: Alan Link [mailto:alanlink@shaw.ca] Sent: Sunday, August 29, 2021 7:37 AM

To: info@honoluludpp.org

Subject: Reclassifying the Aston Waikiki Sunset as a Resort Zone

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opening attachments or links.

Written Testimony:

To Whom it May Concern;

After owning a condo at the Waikiki Sunset almost 10 years,

it is very disturbing and stressful to think that I may have to rent

my own condo. The proposed Bill 89 Ordinance to take away

my rights as an owner of real estate is ridiculous!

The main reason why I own a condo is so

I don't have to rent! How many people in the entire

world rent their owned residence when they are living in it?

Nobody - the notion is absurd.

The Waikiki Sunset was originally built as a residential

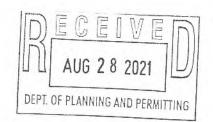
apartment building not a Hotel!

We have a lot of rights as property owners and this Bill 89

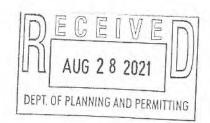
proposal has gone over the line!

Alan Link

Owner of condo #802 Waikiki Sunset 229 Paoakalani Ave. Honolulu 96815



5879212764 Cell Sent from my iPad



28 August 2021

Re: Revised Ordinances of Honolulu (ROH) 1990

To whom it may concern,

Regarding the proposed Amendments to Chapter 21 (Land Use Ordinance), Revised Ordinances of Honofulu (ROH)1990, as Amended, Relating to Transient Accommodations, I hereby submit my comments and testimony in opposition.

I fully support enforcement actions against illegal Short-Term Rental operators. There is no need to change the definition from 30-days to 180-days, and I support every effort to properly enforce the 30-day minimum. This is where any potential legislation should be targeted, not with methods such as being proposed, which would have significant economic impact on both the local economy and property values in Waikiki.

The draft Bill plans to ban the legal 30-day minimum vacation rentals in Apartment Precincts in Waikiki. I oppose this Bill for the following reasons:

There are people on Oahu who need rentals of less than 180-days. I have had a number of
renters who were on work contracts of less than 180 days, were moving/renovating their house
and needed an interim place to stay, family/military connections needs, etc.

These people didn't need or want or couldn't afford to stay at hotels for the period of time they needed accommodation. Hotel accommodations do not provide 'home' amenities that are available in a condo rental. There should be an option for them to stay at condos less than 180 days with affordable rates. This benefits Hawaii's economy.

- 2. There are many people who want to 'snowbird' for 1-3 months in warm places like Waikiki. Such people are NOT 'vacation' renters. They would stop coming to Hawaii if their only choice was a hotel. As they are 'living' in Waikiki for this period of time they need the additional amenities for such a length of stay and the hotel costs for such a period of stay would be prohibitive. These people also bring substantial benefits to Hawaii's economy.
- 3. If the purpose of this Bill is to protect neighbors, why not let Owners Associations decide by allowing their input? In my building, 30 day rentals are allowed. We do, however, have excellent controls on any residents' access that limit potential violations of <u>truly</u> short-term vacation rentals. We act on any potential violations by notifying the owner and the authorities.

I do not believe the DPP should override those owners' rights and implement such a one-sided standardized rule ignoring each building's owners' opinion and right to decide.

While it is understandable banning illegal vacation rentals in more quiet "residential" neighborhoods such as Kailua or Hawaii Kai, it makes no sense for Waikiki. Waikiki is unique as a

successful tourism destination, with many local businesses, restaurants, and shops that depend on tourists, both week stay 'vacation' ones and month+ stay 'visitor' ones.

Healthy successful tourism needs a variety of accommodations that provide options to visitors. With this proposed Bill it is narrowing accommodations to only local residents with long term 180-day leases, who will not contribute to the special businesses aimed at tourism and income for business owners and the state of Hawaii.

It is obvious that this Bill is aimed to help the Hotel Industry in Waikiki. It does not benefit Oahu by providing healthy competition as it only promotes the vested interest of the Hotel industry and its revenue.

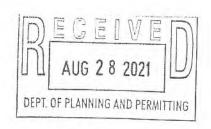
This bill will significantly affect both my current day income and the market value of my property. It completely oversteps the market conditions that existed when I purchased my property.

There should be other ways to stop illegal vacation rentals or solve the issue of the shortage of housing for local residents.

Letting the Hotel Industry monopolize the Oahu's accommodation options will result in a ruined economy.

Sincerely,

RN SHU RN GRIFFITH 28 AUG 2021



To whom it may concern,

Regarding the proposed Amendments to Chapter 21 (Land Use Ordinance), Revised Ordinances of Honolulu (ROH)1990, as Amended, Relating to Transient Accommodations, I hereby submit my comments and testimony in opposition.

I fully support enforcement actions against illegal Short-Term Rental operators. There is no need to change the definition from 30-days to 180-days, and I support every effort to properly enforce the 30-day minimum.

The draft Bill plans to ban the legal 30-day minimum vacation rentals in Apartment Precincts in Walkiki. I oppose this Bill for the following reasons:

- 1. There are people on Oahu who need rentals of less than 180-days. These uses include:
  - Families from out of State that are taking care of loved ones
  - · People moving to Oahu and looking to buy a home
  - · Families who are waiting for their new home to complete construction
  - · Government contract workers
  - Traveling nurses
  - · Military PCS while looking for a home to buy
  - · Home Sellers who need to rent until they find a new property
  - · Film and TV crews while on a shoot

Those people don't need or want to stay at ocean front hotels paying expensive accommodation fees. There should be an option for them to stay at condos less than 180 days with affordable rates. This also benefits Hawaii's economy.

2. Some buildings in Apartment Precincts in Walkiki ban 30-day vacation rentals in their Building Bylaws, while there are some buildings that allow 30-day vacation rentals. If the purpose of this Bill is to protect neighbors, why not let Owners Associations decide by allowing their input? I do not believe the DPP should override those owners' rights and implement such a one-sided standardized rule ignoring each building's owners' opinion and right to decide.

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I also oppose this Bill for the following reasons:

1. Condo-Hotel properties MUST be operated by the Hotel: There are no illegal vacation rentals in condo- hotels. They are zoned as Hotel/Resort and many privately owned. I'm not a lawyer, but I think it may violate antitrust laws (In the United States, antitrust laws are a collection of federal and state government laws that regulate the conduct and organization of business corporations and are generally intended to promote competition and prevent monopolies). I cannot see any rationale in this move other than monopolizing the tourism market by protecting the hotel industry's interest and destroying legal property management companies.

Competition in this industry is vitally important to keep improving Hawaii's accommodation services and attracting visitors to Hawaii. Competition results in better service, better property management with increased tax income to the State that benefits all local residents.

2. At the City and County level, this bill will affect the market value of many properties. Affecting these values will affect tax revenues and their ultimate use.

There should be other ways to stop illegal vacation rentals or solve the issue of the shortage of housing for local residents.

Letting the Hotel Industry monopolize the Oahu's accommodation options will result in a ruined economy.

Name Hisayoshi Tachihara.

Date 28/Aug/2021

Signature Hisayoshi Tachihara.

The portion of the bill that proposes to move NUC STR into resort tax category is unfair.

AUG 2 8 2021

DEPT. OF PLANNING AND PERMITTING

Resort zoning allows property uses, in addition to visitor hosting; i.e. commercial, restaurants, office, retails, etc.. True resort properties have more sources of revenue and a higher market value. NUC STR would not receive these benefits.

80%+ of legal NUC STR are values under \$1M and a tax classification change, across the board, would mean the "little guys" would see their tax obligation multiplied by 4 while the "big guys" would only see a 30 to 50% increase.

The legal STR have been paying NUC renewal fees, TAT and GET, for over 30 years, while the city allowed illegal operators to break the law, with impunity while unfairly competing with legal STR. Changing the tax rate to resort will penalize the law abiding owners while discouraging others to follow the law. This will

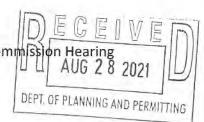
continue to place an unfair competitive burden to the law abiding owners.

Before any property tax change is considered, the DPP and C&C of Honolulu, must prove they are able to enforce existing laws.

Sincerely,

Roberto and Elizabeth Lopes Haleiwa, HI

Aloha Lucky Cole Manager COLENET LLC 808-554-8113 Testimony for the September 1, 2021, City & County of Honolulu Planning Commissi



Aloha Honolulu Planning Commission Members:

I SUPPORT the proposed bill to change Chapters 8 and 21. <u>Although I think a 90-day minimum rental lease would be adequate</u>, I have seen firsthand how illegal STR operators in Waikiki easily manipulate 30-day minimum leases.

I've seen someone's screenshot taken of a Hawaii real estate broker's webhosting ad emphasizing that the Waikiki condo building "has a 30-day rental agreement and minimum stay policy, with no restriction for early departure."

I've also seen a screenshot of an illegal vacation rental owner's webhosting ad for his Waikiki condo informing potential guests that if they agree to rent from him on the platform, they would be entering into a <u>co-op</u> monthly lease that he explained means they would be booking with other travelers for the full month.

A friend showed me a hard copy of an email written by a Hawaii real estate broker advising a large group of fellow illegal STR operators in a Waikiki condo building to tell their guests to never speak to the Resident Manager or staff or any government officials; or to just say they are family or friends, if asked.

Long-term residents of all ages in Waikiki's Apartment Precinct come from all the islands, other states and countries, and are united because they call Waikiki home. Many Waikiki residents of residential condo and apartment buildings have been overwhelmed by the proliferation of illegal vacation rentals forced upon and around them by scofflaw investors who don't care about zoning. They can quickly turn a once-peaceful <u>residential</u> building into a <u>quasi-hotel</u> by manipulating 30-day leases.

Sadly, there are likely hundreds upon hundreds of Waikiki tenants who over the last several years have been forced to move elsewhere when their condo/apartments were suddenly tuned into vacation rentals. And, of course, if would be very difficult for them to purchase a condo or house because the real estate frenzy created by easy-to-use webhosting platforms inflated prices, and investors have far more purchasing power than first time buyers.

Enforcement needs to be aggressive, and fines need to be high – and even higher than those proposed in the bill - in order to "encourage" illegal STR operators to stop breaking the law. Complaints about suspected activity need to be investigated quickly!

I believe that the proposed bill has much-needed stronger tools for enforcement, without which, many operators of illegal vacation rentals will continue to do business as usual, and ultimately continue to limit available housing to Oahu's residents.

Thank you for your kind consideration, Denise Boisvert Waikiki



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Letting the Hotel Industry monopolize the Oahu's accommodation options will result in a ruined economy.

Name NORIFUMI N.

Signature

From: Lisa Durovey [mailto:llldurovey@gmail.com]

Sent: Sunday, August 29, 2021 8:01 AM

To: info@honoluludpp.org

Subject: Proposed Amendment to Chapter 21 for Transient Accomodations

CAUTION: Email received from an EXTERNAL sender. Please confirm the content is safe prior to opening attachments or links.

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Letting the Hotel Industry monopolize the Oahu's accommodation options will result in a ruined economy.

Date	8/29/2021	
I'm a	Condo owner at Waikiki Park Heights	

From: Paul Mayer [mailto:paul@elitepacific.com]

Sent: Sunday, August 29, 2021 8:14 AM

To: info@honoluludpp.org

Subject: Opposed to the proposed bill relating to Transient Accommodations



CAUTION: Email received from an **EXTERNAL** sender. Please confirm the content is safe prior to opening attachments or links.

Brian Lee Chair, Planning Commission Department of Planning and Permitting City and County of Honolulu 650 South King St., 7th Floor Honolulu, Hawai`i 96813

RE: Opposed to the Proposed Bill Relating to Transient Accommodations

Dear Chairman Lee and Members of the Commission:

I am the co-founder and part-owner of Elite Pacific, LLC. Elite Pacific is a locally owned real estate company, providing residential and commercial sales, long term property management, and vacation rental property management throughout the state. We started the business in 2005 and have grown to over 50 employees and over 200 licensed real estate agents.

We ensure that all of our Property Managers and employees are familiar with all relevant state and local laws and regulations, and have scrupulously followed the City and County of Honolulu's regulations requiring a minimum of 30 day rental periods for any property that is not licensed as a TVU.

As a company, we were heavily involved in the progress of Bills 85 and 89, resulting in Ordinance 19-18, including suggesting various solutions for regulation and enforcement to DPP and Council Members, and in the lawsuit and negotiations that resulted in the Stipulation and Order between the Kokua Coalition and DPP agreed to and incorporated into a binding Court Order on October 1, 2019.

It is greatly disappointing that, simply because DPP didn't enforce Ordinance 19-18, the entire process is happening again, just two years after the Ordinance was passed and the Stipulation and Order was agreed to that represented a reasonable compromise for how to regulate 30 day rentals.

The current proposed bill before the Planning Commission is a dream bill for the hotel industry. One can only presume that it was prepared by, or with heavy input from, representatives of the hotel industry. It is unclear why the Administration would want to favor mainland and international hotel chains over local residents and small business owners.

We agree that there are two significant public policy objectives to be achieved by proper regulation and enforcement of TVU's:

- 1.
- 3. Reduce the impact of illegal vacation rentals on Oahu neighborhoods.
- 4.
- 5.
- 6.
- 7. Free up properties for occupancy by residents.
- 8.

Residents of Oahu do have legitimate complaints about the current situation with the proliferation of illegal vacation rentals, and Elite Pacific as a company and I personally strongly support vigorous enforcement of the current regulations that require a minimum of 30 day rental periods.

But there is no need to change the definition of a TVU from 30 days to 180 days -- we simply need to enforce the 30 day rules.

It has been obvious for years that DPP simply doesn't have the resources to enforce the rules. Two years ago, I recommended that the City establish a new department or agency charged with enforcing the 30 day rental rules, and gave recommendations on how it could be funded by those properties and property managers engaged in these legal 30 day rentals. I am pleased to see that both of those concepts are presented in this otherwise deeply flawed proposed bill.

I believe strongly that if representatives of the City are willing to sit down with representatives of those of us engaged in legal 30 day rentals, we can come up with reasonable and enforceable rules, regulations, resources, and processes that dramatically reduce (hopefully fully eliminate) illegal vacation rentals, and that ensure that neighborhoods are not disrupted, while being not only self-funding, but actually generating additional revenue for the City.

There are some good regulatory ideas in the proposed bill coming before the Planning Committee; and we can propose more solutions based on what has worked well in other resort communities around the country.

Again, the primary solution to our problem is enforcing the laws prohibiting rentals of less than 30 days, not changing the definition of a TVU from 30 to 180 days. It appears that the DPP may not be aware that there are many non-tourist reasons why someone may need a rental of longer than 30 days but less than 180 days. Some actual examples of people who have recently rented our managed properties on Oahu for periods of 30 to 180 days:

•	
	Movie and TV show actors and crew shooting on location
	Traveling nurses (the state just brought in a few hundred of them)
	Families of teachers and professors spending their summer vacation in Hawaii
	Contract workers, often for the military or government
	Families of military personnel stationed in Hawaii who need a place to live while waiting to buy or rent a home.  They often have kids and pets.
	A family who has sold their house and have not yet closed on a purchase (I've personally been in this situation.)
•	Families undergoing a major renovation of their home.
	Families building a home, waiting for it to finish construction (We have an employee in this situation right now.)
	Families of an employee who is being moved to Oahu, waiting to buy a home (Ironically, I can think of 3 hotel executives in this situation in the past 5 years.)

These are not rare situations. These happen constantly. You simply can't tell these people, many of whom have children and pets, that they have to live in a hotel in Waikiki

for a few months. Unlike the Neighbor Islands, which each have a large number of condos and single family homes in their Resort Zones, Oahu's Resort Zones consist almost entirely of hotel rooms and timeshares.

Let's look at the two public policy reasons for reducing vacation rentals:

1.

- 3. Disruption to residential neighborhoods: There is no need to eliminate legal 30 day rentals to solve the problems
- 4. that neighborhoods are experiencing. The problems are a result of the illegal operators who are renting nightly or weekly, not the ones who are in compliance with the 30 day rental period. We manage about 80 legal 30 day rentals on Oahu, and our average
- number of stays per property per year is 6.2 (including owners using their own property), with an average length of stay of 14 nights (excluding 2020, when people came for extended periods of time). These guests are typically affluent families, often traveling
- with 3 generations. People generally say there are about 10,000 properties on Oahu advertised for vacation rentals; I would estimate that fewer than 10% comply with the 30 day requirement. Enforce the rules, and you get rid of 90% of the properties, and
- 7. over 97% of the guest-nights (since the remaining properties are occupied an average of 85 nights a year, versus the illegal weekly/nightly rentals being occupied an average of 290 nights a year). And you also limit the guests to a more affluent family vs.
- 8. what are often described as loud partiers in the illegal vacation rentals. Enforce the existing 30 day rules, and over 99% of the problems go away.

9.

10.

11.

- 12. Provide more housing stock for residents: These legal 30 day rentals are expensive second homes for affluent people,
- 13. where the owner wants to use it for their own vacations now, allowing a handful of rentals to help cover some of their carrying costs, and they often plan to retire to Oahu in the future. These legal 30 day rentals are almost always homes valued at \$4 million
- 14. and up, and would never become long term rentals and very rarely primary residences for residents. The situation is very different for the properties that are causing the problems: they are generally lower valued properties, purchased as an investment, and
- 15. that investment only makes sense if you break the law and rent weekly or nightly. So again, there is no need to change the rule from 30 to 180 days, we just need to enforce the 30 days -- at which point these illegal operators will either convert their property

16. to long term rentals or sell them, which will provide additional housing for local residents.

17.

There's another public policy issue that can be addressed with a better bill: having fewer, higher spending tourists. In the wake of 2019's record visitor numbers followed by 2020's shutdown and the 2021 resurgence, much has been written about how Oahu needs a new approach to tourism, with fewer visitors. The only way to have fewer visitors without adversely affecting the economy and the City budget, is for those visitors to spend more, and to keep more of the money they spend circulating in the local economy where it has a multiplier effect. Restricting tourists to hotels in Waikiki will not accomplish that goal. However, attracting affluent visitors who stay in legal 30 day rentals, actually does accomplish that goal, and a City-imposed flat fee of \$500 per legal 30 day stay would both generate an estimated \$7 million for the City, and ensure that those visitors desiring an alternative to a hotel are more affluent and higher spending.

I could point out several other issues with the proposed bill, and make several other suggestions for improvement, but I'd like to close with a simple proposal: please reject this bill that was clearly sponsored by the hotel industry, and let's get responsible representatives to sit down together and discuss reasonable regulations and how to properly enforce them. Otherwise, we'll end up with a deeply flawed bill that generates many unintended consequences and lawsuits.

Thank you for your consideration.

Sincerely,

Paul Mayer

Co-Founder and Chairman, Elite Pacific, LLC
Corcoran Pacific Properties | Elite Pacific Vacation Rentals
Elite Pacific Long-Term Rentals | Elite Charitable Foundation
Hawaii Commercial Real Estate | IDREAL
808 286-9788
paul@elitepacific.com

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----Original Message-----

From: Kris Anne Gustavson [mailto:krisanne@organizationdesign.com]

Sent: Sunday, August 29, 2021 11:39 AM

To: info@honoluludpp.org

Subject: Short-term Rental Regulations



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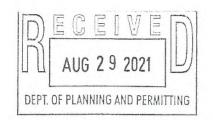
Kris Anne Gustavson 408-391-0430 Would like to comment on short-term rental regulations.

Loosen up. Don't let the mainland hotel owners run our Hawaii. Let people stay in nice. Confutable homes, not Waikiki all the time.

Kris Anne Gustavson Organization Planning and Design, Inc. 408-391-0430 From: Kathy Fay [mailto:fay.kathy@gmail.com] Sent: Sunday, August 29, 2021 10:49 PM

To: info@honoluludpp.org

Subject: Support for the Illegal Vacation Rental Enforcement Bill



CAUTION: Email received from an EXTERNAL sender. Please confirm the content is safe prior to opening attachments or links.

Illegal vacation rentals have plagued our neighborhoods for too long. I am in support of the bill being considered by DPP which will penalize owners who market illegal vacation rentals in our residential neighborhoods and will make these properties available as long term rentals for residents.

Thank you

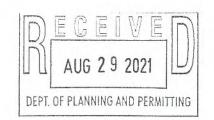
Kathy Fay 358H Kaelepulu Drive Kailua, HI. 96734

fay.kathy@gmail.com (808) 778-7238 From: 金沢裕美 [mailto:hulayumi@gmail.com]

Sent: Sunday, August 29, 2021 9:14 PM

To: info@honoluludpp.org

Subject: I oppose the bill to abolish vacation rentals in Hawaii.



CAUTION: Email received from an EXTERNAL sender. Please confirm the content is safe prior to opening attachments or links.

I am writing to you regarding the Hawaii Vacation Rental Elimination Act.

Japanese travelers who love Hawaii and return year after year appreciate the convenience and economy of condominiums.

If only hotels were available

I am sure that the number of trips and the number of nights spent in Japan will decrease.

I sincerely hope that this pandemic is over and that all the tourists, including us, who are looking forward to going to Hawaii, will not be disappointed.

Yumi Kanazawa

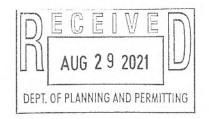
----Original Message-----

From: Susan Cortes [mailto:suecortes@me.com]

Sent: Sunday, August 29, 2021 8:35 PM

To: info@honoluludpp.org

Subject: Draft Bill: DPP Illegal Vacation Rental



CAUTION: Email received from an EXTERNAL sender. Please confirm the content is safe prior to opening attachments or links.

To: DPP

Aloha,

I completely support increasing fines on illegal vacation rentals, and redefining short term rentals to 180 days. I live in a neighborhood that is plagued by short term renters, staying in homes from 2 days to 1 week at a time. This strains our infrastructure and turns our community into a resort area.

Please make the consequences for this zone violation meaningful, and then enforce the laws.

Mahalo,

Sue Cortés

From: robert.retherford@hawaiiantel.net [mailto:robert.retherford@hawaiiantel.het]

Sent: Sunday, August 29, 2021 10:55 PM

To: info@honoluludpp.org

Subject: Planning Commission hearing on 9/1/21 on Short Term Vacation Rentals bill

CAUTION: Email received from an EXTERNAL sender. Please confirm the content is safe prior to opening attachments or links.

DEPT. OF PLANNING AND PERMITTING

Dear Members of the City Planning Commission,

The reading of the Draft Bill for an Ordinance to Regulate Transient Accommodations was both a delight and a surprise. While I do have some questions, I am very much **in support** of this Bill.

I have actively opposed short-term vacation rentals in residential zoning since 1989. I did not do so because of noise or because of traffic. I did so because of its effect on housing for our residents, the loss of neighbors, and other negative social and environmental impacts.

Paragraph 5 of the Draft Bill's Staff Report seems to repeat, almost verbatim, what so many residents have said in their testimonies again and again over the years -- mostly to the deaf ears of our lawmakers. It did not take the Covid-19 pandemic to remind most of us of what was being lost. Alarmed we watched for years as a different kind of pandemic ate away at our housing stock and undermined much of what we value in our community, environment and culture. I am grateful that I have lived long enough to see this welcome change in the City's assessment of the short and long-term costs of the proliferation of short term vacation rentals in residential zoning,

There has always been, since 1990, language on the books to enforce the law and prevent the proliferation of short-term rentals in residential neighborhoods. The problem has been the seeming collusion of government with special interests, the lack of political will to enforce the law, and failure to provide DPP with the necessary enforcement tools. Given the enforcement record, including the collection of fines, it is hard for many of us not to continue to be cynical about the political will to enforce the regulations of this proposed Bill.

A question I have is about the estimate of \$3,125,000 that would be generated from real property taxes from registered B&B for the purposes of funding the enforcement of STR regulations. Is it based solely on new property tax assessments on the present number of B&Bs and TVRs that hold non-conforming use certificates issued in 1990? Or does the dollar figure also include a certain number of estimated new STRs in resort, and A-1/A-2 and A-2 areas cited as eligible for STRs? How many positions dedicated solely to enforcement would DPP's Enforcement Branch have?

This is a very good, well-written, Bill that would help restore housing to our people, liveability to our neighborhoods, and good jobs to our hotel workers. Everything depends, however, on our elected leaders resolve to successfully implement the provisions of the Bill. I hope that this resolve is here, and here to stay.

I thank DPP for the work that went into the drafting of this Bill and ask that you forward it to the City Council with a favorable recommendation.

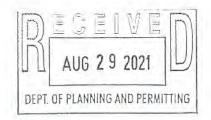
Thank you very much.

Ursula Retherford 42 N. Kainalu Drive, Kailua, Hi 96734 From: Michelle Rice [mailto:xlpropertieshawaii@gmail.com]

Sent: Sunday, August 29, 2021 10:48 PM

To: info@honoluludpp.org

Subject: Opposing DPP str bill- illegal provisions!



CAUTION: Email received from an EXTERNAL sender. Please confirm the content is safe prior to opening attachments or links.

The goal of the bill is to reduce the impact on residential neighborhoods, and crack down on illegal TVUs. But The bill added massive provisions restricting legal TVUs in Waikiki resort zone that take away vested property rights from existing owners of legal TVUs, that does nothing to achieve the two stated goals. Why is DPP spending additional resources in attempting to restrict legal TVUs in the Waikiki resort zone where TVUs belong? So what is your hidden agenda? Helping hotels eliminating all competitions?

TVU has been the permitted principal use in the Waikiki resort zone since LUO's inception, just like hotels. We ,the existing legal TVU owners in Waikiki resort zone, we bought and own them because of their permitted TVU use. But under this bill:

- a. If my property is owned by LLC or any legal entity that is not a natural person, my vested right to TVU use will be taken away by you.
- b. If I currently own more than one TVU, I am only allowed to keep one, and you will take away the rest of them from me.
- c. If my TVU is in a condo hotel, i will have to give it to hotel to manage.

I am a local resident. I operate legal TVUs in the Waikiki resort zone. Over the past 8 years i have dedicated my efforts to operate a legal TVU business to support my family. It is immoral for you to destroy my livelihood by arbitrarily taking away my vested property rights.

I am sure DPP understands the concept of government cannot take away vested property rights, There are well written provisions in the bill to preserve legal rights of Non-conforming Use TVU. DPP also said publicly that NUC is legal status that cannot be taken away. But your provisions totally ignore the fact that existing legal conforming TVUs in Waikiki resort zone should have at least the same vested property rights, as non-conforming use TVU. Not only that, you put more restrictions on legal Conforming TVUs in resort zone, than the Non-Conforming Use TVUs that are in outside of resort zone in residential areas.

In your draft bill, None of these ownership restrictions apply to hotel owners, none of the ownership restrictions apply to NUC owners.

Existing legal TVUs in the resort zone of Waikiki are also subject to registration requirements and application and approval process with DPP, in order for us to be able to use our property, despite the fact TVU use is the granted permitted principal use in the LUO for decades. Some of the requirements are: \$5000 registration fees, and \$2500 annual renewal fees. Occupancy limit and sleeping arrangement limit, and a number of other operation requirements. None of these requirements apply to hotels.

The bill also contains expansion of hotel use into Waikiki apartment and apartment mix use zone, and expansion of TVU use into A1/A2 zone in gold coast. Are there objective and measurable criteria for making these expansions that you can share with public? Why isn't TVU being added to Waikiki apartment mix use zone?

DPP is in charge of enforcing ordinance 19-18. You don't need another bill in order to crack down on illegal vacation rentals. You are fully equipped to enforce the current ordinance. You currently have a very effective tool to do so: Airbnb and VRBO have provided you with monthly report of rentals listing. You can check each

rental on the report for TMK and NUC numbers. Any vacation rental that does not have a valid resort zone TMK or NUC number should be investigated. That seems very straight-forward. Why haven't you done that?

Mahalo

From: Asparoh Minikov [mailto:asparoh@gmail.com]

Sent: Sunday, August 29, 2021 10:01 PM

To: info@honoluludpp.org

Subject: Written Testimony Objecting the new proposed restrictions on TVUs in the Waikiki resort zone

DEPT. OF PLANNING AND PERMITTING

CAUTION: Email received from an EXTERNAL sender. Please confirm the content is safe prior to opening attachments or links.

## Aloha,

I am writing to strongly oppose the proposed amendments to impose massive restrictions on legal Waikiki TVUs in the Waikiki resort zone as written in the new proposed bill. TVU has been the permitted principal use in the Waikiki resort zone since LUO's inception, just like hotels. There are no restrictions on who can own TVUs, how many TVUs a person is allowed to own, or who can manage TVUs. The bill added provisions restricting legal TVUs in the Waikiki resort zone that constitute illegal taking of vested property rights, and unequal treatment of different property ownership.

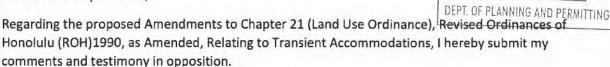
Hawaii has been home for my wife (a UH graduate) and I for the past 25 years. Our 3 children were born here and are all attending public school on Oahu. Through hard work, our home equity and high interest mortgages we were able to purchase 2 TVU condos in two of the legality resort zoned condo hotel buildings in Waikiki. Our two condos are our kids' college investment. We have been paying our TAT and GE as well as our high property tax rate diligently. The only way our condos can cover all the expenses (mortgage payment, mortgage interest, TAT, GE, property tax rate, taxed as at the hotel rate for the resort zone, income tax, maintenance fee, not to mention keeping our condos beautiful and well maintained for our guests) is, if we self-mange them.

We knew this from the very start when we decided to take out the equity of our home to put as a down payment for our first condo. We specifically searched for a legally zoned condo, which WOULD ALLOW us to SELF MANAGE our unit, knowing that if we rely on a third party to manage it, we will not be able to even cover our bills. We have remodeled, and furnished our condos with lots of sweat and hard labor and we take great pride in the excellent space and service we provide for our guests. We have never had a complaint from the building's management/hotel company, we stay in communication with each one of our guests throughout their stay, we have hundreds of excellent reviews and we have had nothing but respectful guests.

We would have never made these investments if we did not have the right to self manage them or use them with no restrictions with our keiki. We paid a premium price specifically to be able to self manage our condos and have staycations there with our young children. By taking our right to self-manage and use our privately owned condos and giving them to the hotels we will not be able to keep them. Our kids' college investment will disappear in front of our eyes. This is not only wrong but also illegal, as these rights are explicit "as of" property rights that come with "permitted principal use" for the existing TVU owners in Waikiki resort zone.

We request all the newly written restrictions for TVUs in Waikiki resort zone be removed from the bill or at least the current owners of TVUs to be grandfathered in and be allowed to continue operating, using and managing their condos as they see fit and as it has been legally allowed for many years now

Warmest Regards, A. Minikov To whom it may concern,



I fully support enforcement actions against illegal Short-Term Rental operators. There is no need to change the definition from 30-days to 180-days, and I support every effort to properly enforce the 30-day minimum.

The draft Bill plans to ban the legal 30-day minimum vacation rentals in Apartment Precincts in Waikiki. I oppose this Bill for the following reasons:

- 1. There are people on Oahu who need rentals of less than 180-days. These uses include:
  - Families from out of State that are taking care of loved ones
  - · People moving to Oahu and looking to buy a home
  - Families who are waiting for their new home to complete construction
  - Government contract workers
  - · Traveling nurses
  - Military PCS while looking for a home to buy
  - · Home Sellers who need to rent until they find a new property
  - · Film and TV crews while on a shoot

Those people don't need or want to stay at ocean front hotels paying expensive accommodation fees. There should be an option for them to stay at condos less than 180 days with affordable rates. This also benefits Hawaii's economy.

2. Some buildings in Apartment Precincts in Waikiki ban 30-day vacation rentals in their Building Bylaws, while there are some buildings that allow 30-day vacation rentals. If the purpose of this Bill is to protect neighbors, why not let Owners Associations decide by allowing their input? I do not believe the DPP should override those owners' rights and implement such a one-sided standardized rule ignoring each building's owners' opinion and right to decide.

While it is understandable banning illegal vacation rentals in more quiet "residential" neighborhoods such as Kailua or Hawaii Kai, it makes no sense for Waikiki. Waikiki is unique as a successful tourism destination, with many local businesses, restaurants, and shops, that depend on tourists. Healthy successful tourism needs a variety of accommodations that provide options to visitors. With this proposed Bill it is narrowing accommodations to only local residents with long term 180-day leases, who will not contribute to the special businesses aimed at tourism and income for business owners and the state of Hawaii.

It is obvious that this Bill is aimed to help the Hotel Industry in Waikiki. It does not benefit Oahu by providing healthy competition as it only promotes the vested interest of the Hotel industry and its revenue.

I also oppose this Bill for the following reasons:

Condo-Hotel properties MUST be operated by the Hotel: There are no illegal vacation rentals in condo- hotels. They are zoned as Hotel/Resort and many privately owned. I'm not a lawyer, but I think it may violate antitrust laws (In the United States, antitrust laws are a collection of federal and state government laws that regulate the conduct and organization of business corporations and are generally intended to promote competition and prevent monopolies). I cannot see any rationale in this move other than monopolizing the tourism market by protecting the hotel industry's interest and destroying legal property management companies.

Competition in this industry is vitally important to keep improving Hawaii's accommodation services and attracting visitors to Hawaii. Competition results in better service, better property management with increased tax income to the State that benefits all local residents.

2. At the City and County level, this bill will affect the market value of many properties. Affecting these values will affect tax revenues and their ultimate use.

There should be other ways to stop illegal vacation rentals or solve the issue of the shortage of housing for local residents.

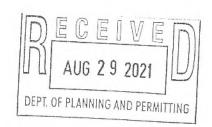
Letting the Hotel Industry monopolize the Oahu's accommodation options will result in a ruined economy.

Name	Megumi Fujioka	
	8-29-2021   18:58 HAST	
Date		
Signature com Fujioka		
	— 2116585453964BA	

From: Dan Carpenter [mailto:dic9944@yahoo.com]

Sent: Sunday, August 29, 2021 5:32 PM

To: info@honoluludpp.org Subject: DPP STA Draft Bill



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The provisions of this draft bill go way beyond reasonable or justified. There is no evidence to support any benefit to the people of Honolulu in it's implementation. It only protects out of State hotel owners from perceived market competition. 180 day minimum rental? you have to be kidding!

Dan Carpenter 808 381-2831 86012 Pokai Bay St. Waianae, HI 96792

dic9944@yahoo.com

----Original Message----

From: Barbarakraz [mailto:barbarak@hawaii.rr.com]

Sent: Sunday, August 29, 2021 5:25 PM

To: info@honoluludpp.org

Subject: Strong support: Proposed changes to ROH (Chapters 8 and 21) of the Land Use Ordinance

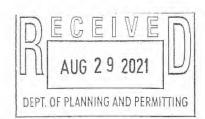
CAUTION: Email received from an EXTERNAL sender. Please confirm the content is safe prior to opening attachments or links.

For Planning Commission members for hearing on 1 September 2021 We are permanent residents of Kailua since 1979. For many years, We've testified against the proliferation of STRs, not just in my residential community but throughout Oahu. Many homes that could be used by residents have instead become tourist accommodations. This has caused dramatic and detrimental changes to quality of life for residents. Our neighborhood has very limited rental property for young couples and single individuals who could be teachers in our schools, coaches for youth teams, volunteers, etc. instead of tourists who bring money to rental owners operating illegally. Lawnmower repair shops are replaced with expensive boutiques for tourists.

The situation has continued to grow worse as more bed and breakfast places and whole house rentals for tourists take over residential neighborhoods. A home used for making money has an inflated selling price. Families looking to purchase homes are facing escalating prices and competition from buyers(many from the mainland or foreign countries) who are looking to cash in on the illegal rental business.

DPP has suggested changes that will penalize those operating illegally. Please approve their recommendations. Save our residential neighborhoods. Tourists should be located in the designated areas, not taking over many residential homes. Help Oahu solve the housing shortage and give DPP the tools to implement changes so long requested by residents.

Thank you. Aloha, Barbara Krasniewski Stan Krasniewski 124 Kuulei Road Kailua 96734 808 261-8133



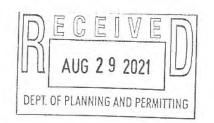
From: Timothy F. McDevitt [mailto:timmcdevitt@gmail.com]

Sent: Sunday, August 29, 2021 3:24 PM

To: info@honoluludpp.org

Cc: Jen Williams; Candice McDevitt

Subject: We oppose Changing short term rentals to 180 days.



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## Dear government official,

- We fully support enforcement actions against illegal Short-Term Rental operators. There is no need to change the definition from 30 days to 180 days.
   We just need to properly enforce the 30 day rule. As real property Owners, we frequently encounter people on Oahu who need rentals of less than 180 days.
   These uses include:
  - Families from out of State that are taking care of loved ones
  - · People moving to Oahu and looking to buy a home
  - Families who are waiting for their new home to complete construction
  - · Government contract workers
  - Traveling nurses
  - Military PCS while looking for a home to buy
  - Home Sellers who need to rent until they find a new property
  - Film and TV crews while on a shoot

Thank you for your kind consideration,

Sincerely,

Timothy McDevitt

Voice: 808-224-2283

From: Barbara Germann [mailto:beege@hawaii.rr.com]

Sent: Sunday, August 29, 2021 3:08 PM

To: info@honoluludpp.org

Subject: DPP Proposed New Illegal Vacation Rental Enforcement Bill

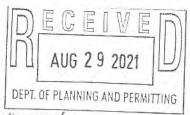
CAUTION: Email received from an EXTERNAL sender. Please confirm the content is safe prior to opening attachments or links.

I support the proposed Illegal Vacation Rental Enforcement Bill as written.

I have been a Kailua homeowner for over 30 years and can see first hand how it has affected my neighborhood

Barbara Germann Iliaina St Kailua HI 96734





To whom it may concern,

Regarding the proposed Amendments to Chapter 21 (Land Use Ordinance), Revised Ordinances of Honolulu (ROH)1990, as Amended, Relating to Transient Accommodations, I hereby submit my comments and testimony in opposition.

I fully support enforcement actions against illegal Short-Term Rental operators. There is no need to change the definition from 30-days to 180-days, and I support every effort to properly enforce the 30-day minimum.

The draft Bill plans to ban the legal 30-day minimum vacation rentals in Apartment Precincts in Waikiki. I oppose this Bill for the following reasons:

- 1. There are people on Oahu who need rentals of less than 180-days. These uses include:
  - · Families from out of State that are taking care of loved ones
  - · People moving to Oahu and looking to buy a home
  - Families who are waiting for their new home to complete construction
  - Government contract workers
  - Traveling nurses
  - Military PCS while looking for a home to buy
  - · Home Sellers who need to rent until they find a new property
  - · Film and TV crews while on a shoot

Those people don't need or want to stay at ocean front hotels paying expensive accommodation fees. There should be an option for them to stay at condos less than 180 days with affordable rates. This also benefits Hawaii's economy.

2. Some buildings in Apartment Precincts in Walkiki ban 30-day vacation rentals in their Building Bylaws, while there are some buildings that allow 30-day vacation rentals. If the purpose of this Bill is to protect neighbors, why not let Owners Associations decide by allowing their input? I do not believe the DPP should override those owners' rights and implement such a one-sided standardized rule ignoring each building's owners' opinion and right to decide.

While it is understandable banning illegal vacation rentals in more quiet "residential" neighborhoods such as Kailua or Hawaii Kai, it makes no sense for Waikiki. Waikiki is unique as a successful tourism destination, with many local businesses, restaurants, and shops, that depend on tourists. Healthy successful tourism needs a variety of accommodations that provide options to visitors. With this proposed Bill it is narrowing accommodations to only local residents with long term 180-day leases, who will not contribute to the special businesses aimed at tourism and income for business owners and the state of Hawaii.

It is obvious that this Bill is aimed to help the Hotel Industry in Waikiki. It does not benefit Oahu by providing healthy competition as it only promotes the vested interest of the Hotel industry and its revenue.

I also oppose this Bill for the following reasons:

Condo-Hotel properties MUST be operated by the Hotel: There are no illegal vacation rentals in condo- hotels. They are zoned as Hotel/Resort and many privately owned. I'm not a lawyer, but I think it may violate antitrust laws (In the United States, antitrust laws are a collection of federal and state government laws that regulate the conduct and organization of business corporations and are generally intended to promote competition and prevent monopolies). I cannot see any rationale in this move other than monopolizing the tourism market by protecting the hotel industry's interest and destroying legal property management companies.

Competition in this industry is vitally important to keep improving Hawaii's accommodation services and attracting visitors to Hawaii. Competition results in better service, better property management with increased tax income to the State that benefits all local residents.

2. At the City and County level, this bill will affect the market value of many properties. Affecting these values will affect tax revenues and their ultimate use.

There should be other ways to stop illegal vacation rentals or solve the issue of the shortage of housing for local residents.

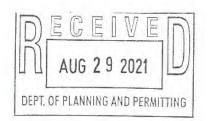
Letting the Hotel Industry monopolize the Oahu's accommodation options will result in a ruined economy.

Name	Hitomi Yokoyama	
Date	8/29/21	
Signature	1 ttom	

From: Jay Molitor [mailto:heyjay365@gmail.com]

**Sent:** Sunday, August 29, 2021 5:26 PM **To:** Department of Planning & Permitting

Subject: Planning Commission Meeting: 9/01/2021



CAUTION: Email received from an EXTERNAL sender. Please confirm the content is safe prior to opening attachments or links.

My name is Jay Molitor.

My phone number is: 509-991-8691

I would like to testify in the Planning Commission Meeting on 9/01/2021.

The Waikiki Sunset is a HOTEL. It has been a HOTEL (Condotel) since its inception in 1980. It's ALWAYS BEEN FULLY STAFFED 24 HOURS A DAY, 365 DAYS A YEAR. It is NOT a B & B.

Our building is 1/2 block outside of the "hotel zone", which is Kuhio Avenue. This building is not located in a residential neighborhood and should be placed in the Hotel and Resort category.

Here is a portion of my letter that went to the Mayor and City Council in September of 2019.

Last year, for the 9 months I am not in Honolulu, the Aston rented out my unit. I paid almost \$6,000 in GET and TAT taxes. That's approximately \$650 per month that I'm paying to the City of Honolulu. I believe there are approximately 240 other units that are without "Non-Conforming Use" agreements in my building alone. Some of them are probably occupied by year-round owners but I'm sure many of them are (were) in the Aston pool. Using an approximate number of 200 units, times 10 months, at \$650 per month in taxes, the City of Honolulu is missing out on \$1,300,000...ONE MILLION THREE HUNDRED THOUSAND in taxes!!! And if you triple that number to include the 2 buildings at the Banyan, you could be losing almost \$4,000,000...FOUR MILLION DOLLARS IN LOST TAXES!!!

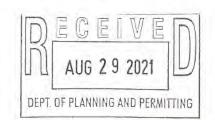
I know how important it is for tax income to support all the programs you must support so I believe you are missing MILLIONS AND MILLIONS of dollars in tax revenue because the Waikiki Sunset, a HOTEL, is 1/2 block outside of your "hotel zone". Please reconsider this ordinance as this building is NOT impacting residential neighborhoods.

Thank you, Jay Molitor From: Cynthia Rubinstein [mailto:cynthiabeachfront@gmail.com]

Sent: Sunday, August 29, 2021 4:33 PM

To: info@honoluludpp.org

Subject: RE: Extending 30 Day Minimum to 180 Day Minimum Rentals



CAUTION: Email received from an EXTERNAL sender. Please confirm the content is safe prior to opening attachments or links.

Aloha Members of City Council, Planning Department and Planning Committee,

Since 1985 I have been doing vacation rentals Beach front and Beachside, mostly in Kailua. In 1989 the idea of creating Nonconforming Use Certificates was my idea, which stemmed from my testimony in front of the City Council.

All of the other realtors doing this kind of rental at the time were standing back by the door when I stepped forward to give my testimony.

Here's a littly Aunty anecdote for you Council members.... Neal Abercrombie was on the Council then and when I stood up and said:

"I am a Real Estate Agent and I do these kind of rentals" he then yelled out "Then you are the problem and we are gonna get you!"

I told him to sit down and listen as you have the enemy in your court about to talk and all the other members laughed as the agents by

the door cowered. They then aske me to tell present a list of all of my tenants for the last year and I did and brought it to the next committee meetting.

At that time, all of the people I had housed in the year prior were either friends or family of people who lived in Kailua with the exception

of one group which was hired by the City of Honolulu to sandbag the stream in Waimanalo and they didn't want to have to get there

at 7 AM from a hotel in Waikiki. The City paid their rental fee and taxes.

The NUC's became a reality at that time for whomever could prove that they had been functioning in this manner prior to 1989.

Fast forward to about 2019 and I ended up on the Mayors Vacation Rental Task Force. It was while sitting on this task force that I made the point

that we would somehow, come up with a means of enforcing the law that was already on the books, that had not been enforced for all of these years.

I was the only one on that task force who had actually been doing legal vacation rentals of 30 days or more. The balance of the members were

hotel owners, 2 community members, head of Union 5 and a rep from airbnb's legal committee, and a State Tax Office member.

Members of the DPP, including inspectors, sat in on those meetings and the acting head of the DPP was the coordinator who ran the meetings,

When asked how that could possibly be done, my suggestion was to force people to advertise 30 day minimum the same as I had been doing.

You see, my homes were always the very last ones on those sites, meaning, if I pulled up Kailua the homes that I managed they were the

very last ones on the entire site and when I called the companies to ask them why my homes were the very last ones I was told it was because

my homes were being advertised as 30 day minimums and everyone else was advertising daily or weekly and the algorithm was such that those

that advertised less time frame booked more often and were the ones that rose to the top and that's why mine went to the bottom.

I made it very clear that if we didn't do something to enforce this then I would be forced to sue the City for not enforcing their own laws which

in turn had cost my business for being legitimate due to ending up at the bottom of the pile.

So Bill 89 was passed and did do some good weeding out some of the illegals but there was a faction on the island who actually sued the City

for trying to enforce their laws and were successful in getting a judge to accept their plea deal which ended up saying that they could advertise

daily and weekly as long as their ad had some verbiage saying that it was a 30 day rental. They therefore would rent for a week or two and leave

the homes open for the balance, which was actually legitimate but that may have morphed into more than one booking a month and therefore

rentals becoming illegal again. If the judge had not agreed to that, Bill 89 would've been extremely successful.

By cutting off vacation rentals completely and requiring 180 day minimum you will be affecting people like the pilot who flew the solar plane here

from the Orient who had to stay longer because they needed to fix their battery system, who just wanted to be with his wife in a house by the beach.

This minimum will also not allow the family that gathers every Christmas from Canada and California to have their gathering together for the

holiday every year because they can't really gather in a hotel where they can in a home.

The people that I've house on the beach front have always been respectful. People on one lane that I have a beach house on have actually

stopped me on the road to thank me for renting to people who didn't have parties and disturb the neighbors.

I could probably get letters from them to give you in support of the business as we have carried it on, with a 30 day minimum.

Most of the people who have these kind of rentals right now actually do pay their TAT taxes because they think that makes them legitimate.

What you will actually be creating, if you pass this bill, is a situation where people will advertise for the six month minimum but they will be

renting off-line for less than that and because you have now put a limit of six months on those rentals they won't pay taxes at all because

if they do pay taxes on let's say, a one month or two month rental, the Tax Office will see that they're not paying for the other four months

so they will then pay no taxes so that they can't be found out.

You will actually be reversing the very thing that you're trying to gain and the state will lose taxes.

Lastly, you must realize that some of these vacation homes, mainly the ones on the beach front, will not open up housing for local residents.

The beach fronts are very pricey and not within the budget of any local resident that I know. You might want to reconsider and allow the

beachfront, and maybe beachside homes, to be rented for the one month minimum, but then enforce the law on the books and actually

penalize those who are not doing a whole month. And these pricier homes bring in high State Taxes, so it only makes sense to not kill that cash cow.

Interestingly enough, when the hotel reps on the Mayor's Task Force were asked if they ever rent homes for their families when they travel,

they all said they did. They said that they did not find the vacation rentals a disturbance to their business as they were all full anyway!

I have been fighting for enforcement of this part of our industry for over 30 years now and I have a pretty good view of what's been going on.

Please do not jump from the frying pan into the fire by doing the six month minimum. It will be a bloody nightmare and your ability to enforce

will be worse than it is now. My suggestion is to get serious about enforcement of the law that's already on the books which you can do by

working with the Tax Office. They can see who is paying how much for what, they have told me as much.

By going to the very other end of the scale to create a minimum that cannot be adhered to you're just creating another problem.

It's time to actually enforce, the E word, the one word that the City or State is not able to put its arms around... Enforcement.

Covid hit and the state of Hawaii instilled quarantine *By the honor system* while our Asian neighbors had real quarantine and people were

taken from the planes to the quarantine hotels. Not here. Here someone coming to vacation only had to say they were going to quarantine

because no one was watching or enforcing. You ended up with a citizens group following people around and getting them busted through

the AG's office because the state couldn't do their own enforcement.

And don't kid yourself Covid came in on airplanes and from those airplanes and from those people who are not being formally quarantine.

It is now spread through the community from those whom came in on the planes.. And if you think stopping vacation rentals is going to stop

the spread of Covid, think again. Be very careful what you do right now because all of our lives and our economy hang in the balance.

Try to be smart this time and just enforce what you already have and then take it from there.

Always Available to Chat About Options, With Aloha, Cynthia Rubinstein

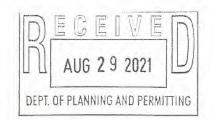
Cynthia Riubinstein Real Estate, Inc. 808-224-9191/RB-15800

From: Paul Tucker [mailto:paul\_tucker@yahoo.com]

Sent: Sunday, August 29, 2021 2:14 PM

To: info@honoluludpp.org

Subject: Proposed Amendments to Chapter 21 (Land Use Ordinance)



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My name is Paul Tucker. I am a Vacation Rental Property Manager for Captain Cook Resorts in Waikiki. I have been in the Vacation Rental industry for over 15 years. I am a US Navy retiree and disabled veteran. I am also a licensed Real Estate Salesperson. I manage short stay units in the Ilikai Apartments, Waikiki Shore, Regency on Beachwalk, Ilikai Marina and others. I also manage 30 day units in the Discovery Bay, Four Paddle, Royal Kuhio, Windsor, and Chateau Waikiki. I speak fluent Japanese.

If this proposed change goes through as is, I will lose my job. All of the units I manage are legal and licensed to operate as vacation rental units. They do not disturb any residents. They are professionally managed. Much better than any Hotel operation. I personally check in all my guests, give them a thorough explanation of the condo, building, and most of all, give them Aloha. No hotel operation is doing that.

I just endured a year of almost no pay because I am an independent contractor. I have a wife and 2 sons age. 5 & 8 that I have to support. Covid 19 is probably going to shut down the islands again. And now you threaten my livelihood.

I fully support getting the vacation rentals out of the residential neighborhoods. They don't belong there. I fully support limiting the number of tourists coming to the islands. I support controlling the type of tourists that come here by keeping the prices high; which we are doing. Emphasis should be on quality tourism not quantity.

Changing 30 day units to 6 months will have a major impact on transient workers and military personnel that come here for work.

Our company has legally taken away units from hotel operators because of the quality and value of the service we provide. Our rents and occupancy rates are much better than any hotel operation. I see this proposed change as being influenced by the hotel operators. I support a free market and let the buyers beware. The old hotel operation model is antiquated and inefficient. It also encourages mediocrity and complacency.

Most of all, these proposed changes will significantly lower the GET and TAT income for the State.

PLEASE CAREFULLY CONSIDER THE PROPOSED CHANGES! PEOPLES LIVES DEPEND ON IT!

Mahalo,

Paul Tucker, RA, MBA Captain Cook Resorts To whom it may concern,



Regarding the proposed Amendments to Chapt 21 (Land Use Ordinance), Revised Ordinances of Honolulu (ROH) 1990, as Amended, Relating to Transient Accommodations, I hereby submit my comments and testimony in opposition.

The reasons for opposition are as follows.

- There are people on Oahu who require rentals of less than 180- days and even less than 30 days.
   Eg.
  - Families are coming in from out of state to care for their loved ones
  - People in transition into moving here needing to wait for their homes to become available
  - Families who need to evacuate their homes temporarily for tenting, construction, and maintenance to their homes.
  - · Government contract workers who are here for a couple weeks.
  - Traveling nurses
  - · Military PCS while looking for homes to buy
  - Home Sellers who need to rent until they find a new property
  - Film and TV crews while on shoot

Most of these people and companies don't require the luxury of staying at an ocean front hotel paying expensive accommodation fees. Short- Term rentals provide a less expensive option that accommodates their needs.

2. Some buildings in Apartment Precincts in Waikiki ban 30-day vacation rentals in their building bylaws, while there are some buildings that allow 30-day vacation rentals. If the purpose of this Bill is to protect neighbors, why not let Owner Associations decide by allowing their input? I do not believe the DDP should override those owners' rights and implement such a one-sided standardized rule ignoring each building's owners opinions and rights to decide.

While it is understandable banning illegal vacation rentals in quieter residential neighborhoods such as Kailua or Hawaii Kai, it makes no sense for Waikiki. Waikiki is unique as a successful tourism destination, with many local business, restaurants, and shops, that depend on tourists. Healthy successful tourism needs to have a variety of accommodations that provide options to visitors. With this proposed Bill, it is narrowing accommodations to only residents with long term 180- day leases, who will not contribute to the special businesses aimed at tourism and income for business owners and the state of Hawaii.

3. Condo-Hotel properties MUST be operated by the Hotel. There are no illegal vacation rentals in condo-hotels. They are zoned as Hotel/Resort and many privately owned. Antitrust laws have been developed by the government to PROTECT consumers from predatory business practices and ensure fair competition. Implementing this is simply promoting the MONPOLIZATION of

tourism by protecting the hotel industry's interest and destroying legal property management companies.

Competition in this industry is vitally important to keep improving Hawaii's accommodation services and attracting visitors to Hawaii. Competition results in better service, better property management with increased tax income to the State that benefits all residents.

- 4. At the City and County level, this bill will affect the market value of many properties. Affecting these values will affect tax revenues and their ultimate use.
- 5. This Bill is aimed to help the Hotel Industry in Waikiki. It is NOT benefiting the small business owners who own and manage these properties. If we want to be a state that is for its people, we need to have a healthy balance of business that give small business owners a fighting chance to make an impact in our economy.

There should be other ways to stop illegal vacation rentals or solve the issue of the shortage of housing for residents. Allowing the Hotel Industry monopolize the Oahu's accommodation options will result in a ruined economy.

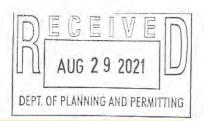
Name: Bidly Osinonez Date: 8.29.21

Signature:

From: Jim Clark [mailto:jimclarkhawaii@gmail.com]

Sent: Sunday, August 29, 2021 11:12 AM

To: info@honoluludpp.org Subject: Opposing DPP Str bill



CAUTION: Email received from an EXTERNAL sender. Please confirm the content is safe prior to opening attachments or links.

DPP is in charge of enforcing ordinance 19-18. You don't need another bill in order to crack down on illegal vacation rentals. You are fully equipped to enforce the current ordinance. If you can simply enforce the provisions of Ordinance 19-18. You currently also have a very effective tool to do so: Airbnb and VRBO have provided you with monthly report of rentals listing. You can check each rental on the report for TMK and NUC numbers. Any vacation rental that does not have valid resort zone TMK or NUC number should be investigated. That seems very straight-forward. Why haven't you done that?

Instead, you are spending unnecessary resources creating another bill, that created massive provisions attempting to restrict and police the legal TVUs in Waikiki resort zone, which take away the existing legal TVU owners' vested property rights, and will certainly be subject to mounting legal challenges. Why does it matter to DPP how the legal TVUs in resort zone are owned, or how they are managed, for example? Why do you want to spend your resources policing the legal TVUs in Waikiki? Does that help you achieve your objective of reducing the impact in residential neighborhoods?

Below is a list of legal issues you are facing relating to your provisions on restricting legal TVUs in Waikiki resort zone.

TVU has been the permitted principal use in Waikiki resort zone since LUO's inception, just like hotels. The existing legal TVU owners in Waikiki resort zone bought them because of permitted TVU use. But under this bill:

- a. If the property is owned by LLC or any legal entity that is not a natural person, their vested right to TVU use will be taken away by you.
- b. If they currently own more than one TVU, they are only allowed to keep one, and you will take away the rest of them.
- c. If a legal TVU is in a condo hotel, you will force it to be turned over to hotels to manage. I am confident DPP understands the concept of government cannot take away vested property rights, You have well written provisions in the bill to preserve legal rights of Non-conforming Use TVU. DPP also said publicly that NUC is legal status that cannot be taken away. But your new provisions totally ignore the fact that existing legal conforming TVUs in Waikiki resort zone should have at least the same vested property rights, as non-conforming use TVU. Not only that, you put more restrictions on legal Conforming TVUs in resort zone, than the Non-Conforming Use TVUs that are in outside of resort zone in residential areas.

None of these ownership restrictions apply to hotel owners.

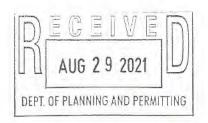
Existing legal TVUs in resort zone of Waikiki are also subject to registration requirements and application and approval process with DPP, in order for us to be able to use our property, despite the fact TVU use is the granted permitted principal use in the LUO for decades. None of these requirements applies to hotels. For example, \$5000 registration fee, and \$2500 renewal fees are not imposed on every hotel room. No occupancy limit or sleeping arrangement is imposed on hotel rooms.

The bill also contains expansion of hotel use into Waikiki apartment and apartment mix use zone, and expansion of TVU use into A1/A2 zone in gold coast. Are there objective and measurable criteria for making these expansions that you can share with the public?

From: David Rucker [mailto:dlr1540@gmail.com]

Sent: Sunday, August 29, 2021 10:13 AM

To: info@honoluludpp.org Subject: DPP STR Draft Bill



CAUTION: Email received from an EXTERNAL sender. Please confirm the content is safe prior to opening attachments or links.

Thank you for the opportunity to submit comments on the STR Draft Bill.

I am opposed to the bill's provisions. This bill seeks to take away long-established property rights in the resort zone that explicitly allow people to own and operate TVUs. Those who have chosen to operate short-term rentals in this zone have done so in a good-faith effort to comply with existing laws.

Short-term rentals not only offer accommodations for visitors, but also provide decent and affordable opportunities to others such as traveling medical staff, families arriving to care for their loved ones, contract workers, relocated military families, local residents in need of temporary housing, and many others. For example, when we moved to Hawaii a few years ago, we used a short term rental while searching for a permanent home.

Further, these onerous proposals are not addressing the stated purpose of the Ordinance: "The purpose of this Ordinance is to better protect the City's residential neighborhoods and housing stock from the negative impacts of short-term rentals by providing a more comprehensive approach to the regulation of transient accommodations within the City and creating additional sources of funding for the administration and enforcement of the City's short-term rental and transient accommodations laws." What does giving powers over personal property rights to corporate hotel interests have to do with this?

This Bill is far over-reaching in its attacks on personal property rights. It is not clear what problem the DPP is trying to solve by taking away personal property rights in the resort zones and giving them to corporate hotel interests.

Thank you for the opportunity to submit these comments.

Regards, David Rucker From: CLK Council Info

Sent: Monday, August 30, 2021 7:11 AM

To: Yamane, Joy <<u>iyamane1@honolulu.gov</u>>

Cc: koreanmax2@yahoo.com; Chung, Vicki K. N. <vchung@honolulu.gov>; Otto, Pearlene

<potto1@honolulu.gov>; Limos, Irene <irene.limos@honolulu.gov>

Subject: Council Testimony

# **Written Testimony**

Name Maxine N Shea

Phone

Email koreanmax2@yahoo.com

Meeting Date 09-01-2021

Council/PH

Committee Council

Agenda Item Proposal to change Short Term from 30 to 180 days

Your position

on the matter Oppose

Representing Self

Organization

Written

I am opposed to the proposal to change the short term minimum from 30 days

Testimony
Testimony
Testimony

agenda on Wednesday, September 1, 2021.

Testimony

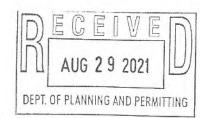
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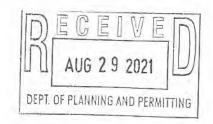
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Accept Terms

and Agreement 1

IP: 192.168.200.67





#### Honolulu City Councilmen

I am writing to you to express my deepest concerns with the latest DRAFT Bill to amend existing short-term rental rules as proposed by the DPP.

Born and raised on Oahu, I am a 3<sup>rd</sup> generation kama'aina who is proudly carrying on the legacy of my parents Max and Lily Lim. My dad was a big wave surfer at the North Shore and a State employee before he put his heart and soul into developing one of the first fee simple condotel buildings in Waikiki that he aptly named Big Surf Hotel next to the Old Driftwood Hotel (today's Equus Hotel), and across the street from Ilikai. Now, 50 years later, the neighborhood is vastly different, but one thing remained the same – the Lim family has continued as the caretaker of Big Surf. Today, I am the general manager of the building; still own a few units while also acting as the property manager for other owners with my real estate broker license.

When Bill 89 was passed in 2019, I know that the owners of Big Surf quickly complied – no more STRs of less than 30 days even though the building operated as a hotel in the past, and we are right next door and across the street from hotels. Now we have a mixture of owner occupants, long-term renters, and other tenants staying somewhere between 1-6 months.

The latest DRAFT Bill doesn't make sense as it doesn't really address any of the issues that DPP Director TBD stated that he wanted to address in his memorandum:

- 1. Reduce impacts on residential neighborhoods.
- 2. Regulate STRs that are permitted only in or adjacent to existing resort areas.

Speaking from my personal experience as an owner and property manager, I know how important it is to allow medium-term rentals of 1-6 months. Restricting such rentals to B&B and TVUs will have devastating effect on the people that we want to serve and attract, e.g.,

- Medical professionals from the mainland to cover for the local shortage. They are assigned often for 1-6 months.
- Military personnel waiting for housing assignment on the base.
- Remote workers looking for a homey place instead of a hotel room, and some of them with an eye
  towards becoming kama'aina among us.
- On-location media production crews tired of hotel rooms, and looking for opportunities to spend money elsewhere in the community instead of entirely with big name hotels.

I am honored to tell you that they make up a significant portion of my clientele for 1+ month-long stays. Raising the definition of STR to 180 days will harm those people we want to serve and attract without contributing to solving any of problems in Director TBD's memo; it will also have devastating effect on honest and hardworking people like me and other owners. If the C&C takes away my ability to make a living with the properties that I own and manage, I don't know what I would do. Below are a few things that I do know:

- Hotels will be the only one to benefit from this part, and frankly pretty much every other aspect of the DRAFT Bill.
- Now talking about hotels, we all know the days of local owners like my parents running hotels are mostly
  over. Most of the hotels we have on this island are now run by big name mainland corporations, and
  ironically often they don't even want to own the underlying physical properties.

- Apart from changing the definition of STR, how does taking away property rights of individual owners, many of them hardworking kama'aina, help? Forcing STRs units to be managed only by hotels will only further enrich big name mainland corporations.
- Yes, there are individual owners from the mainland. Those that I know are often well-off enough to own a
  condo as a second home, and happy to rent out their units when they are not using them. With the
  proposed change to the STR definition, many of them will continue to own their second homes, and we
  will just see those units disappear from the rental pool when they are not in use by the owners.

Well, on my last point, and if you were to follow Director TBD's argument, those units would illegally stay on the market for 1-6 month rentals to meet the legitimate market demand from visiting doctors, nurses, military personnel in transition, remote workers and other professionals on-location, all for the wellbeing of our economy and communities, unless DPP is allocated another \$3.125M to enforce the STRs rules. Now, here is the irony to that argument:

- On the one hand, DPP is saying that it has been unable to enforce the rules as codified in Bill 89.
- On the other hand, DPP is proposing to expand the scope of what needs to be enforced, with higher taxes.

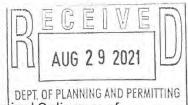
To solve the underlying problems of illegal STRs in residential neighborhood, the solution is actually very simple: just enforce the existing rules, not change rules and make them more difficult to enforce. Judging by how owners at Big Surf responded to Bill 89, enforcement was well on its way until DPP abandoned it completely. Even then, owners at Big Surf overwhelmingly remained in compliance. Enforcement should not be as complicated as requiring another \$3.125M in taxes allocated to DPP.

Respectfully Yours,

Maxine Shea

P.S. Here is a picture of my dad Max Lim on a big wave at the North Shore. I am proud of what he and my mom have done, and the fact that I am carrying on their legacy.





To whom it may concern,

Regarding the proposed Amendments to Chapter 21 (Land Use Ordinance), Revised Ordinances of Honolulu (ROH)1990, as Amended, Relating to Transient Accommodations, I hereby submit my comments and testimony in opposition.

I fully support enforcement actions against illegal Short-Term Rental operators. There is no need to change the definition from 30-days to 180-days, and I support every effort to properly enforce the 30-day minimum.

The draft Bill plans to ban the legal 30-day minimum vacation rentals in Apartment Precincts in Waikiki. I oppose this Bill for the following reasons:

- 1. There are people on Oahu who need rentals of less than 180-days. These uses include:
  - · Families from out of State that are taking care of loved ones
  - · People moving to Oahu and looking to buy a home
  - Families who are waiting for their new home to complete construction
  - · Government contract workers
  - Traveling nurses
  - · Military PCS while looking for a home to buy
  - Home Sellers who need to rent until they find a new property
  - Film and TV crews while on a shoot

Those people don't need or want to stay at ocean front hotels paying expensive accommodation fees. There should be an option for them to stay at condos less than 180 days with affordable rates. This also benefits Hawaii's economy.

2. Some buildings in Apartment Precincts in Waikiki ban 30-day vacation rentals in their Building Bylaws, while there are some buildings that allow 30-day vacation rentals. If the purpose of this Bill is to protect neighbors, why not let Owners Associations decide by allowing their input? I do not believe the DPP should override those owners' rights and implement such a one-sided standardized rule ignoring each building's owners' opinion and right to decide.

While it is understandable banning illegal vacation rentals in more quiet "residential" neighborhoods such as Kailua or Hawaii Kai, it makes no sense for Waikiki. Waikiki is unique as a successful tourism destination, with many local businesses, restaurants, and shops, that depend on tourists. Healthy successful tourism needs a variety of accommodations that provide options to visitors. With this proposed Bill it is narrowing accommodations to only local residents with long term 180-day leases, who will not contribute to the special businesses aimed at tourism and income for business owners and the state of Hawaii.

It is obvious that this Bill is aimed to help the Hotel Industry in Waikiki. It does not benefit Oahu by providing healthy competition as it only promotes the vested interest of the Hotel industry and its revenue.

I also oppose this Bill for the following reasons:

1. Condo-Hotel properties MUST be operated by the Hotel: There are no illegal vacation rentals in condo- hotels. They are zoned as Hotel/Resort and many privately owned. I'm not a lawyer, but I think it may violate antitrust laws (In the United States, antitrust laws are a collection of federal and state government laws that regulate the conduct and organization of business corporations and are generally intended to promote competition and prevent monopolies). I cannot see any rationale in this move other than monopolizing the tourism market by protecting the hotel industry's interest and destroying legal property management companies.

Competition in this industry is vitally important to keep improving Hawaii's accommodation services and attracting visitors to Hawaii. Competition results in better service, better property management with increased tax income to the State that benefits all local residents.

2. At the City and County level, this bill will affect the market value of many properties. Affecting these values will affect tax revenues and their ultimate use.

There should be other ways to stop illegal vacation rentals or solve the issue of the shortage of housing for local residents.

Letting the Hotel Industry monopolize the Oahu's accommodation options will result in a ruined economy.

Name

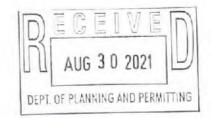
Date

Signature

From: jim noll [mailto:jimmynoll@yahoo.com] Sent: Monday, August 30, 2021 7:12 AM

To: Takara, Gloria C

Subject: Concerns with 210824 Revised draft bill



CAUTION: Email received from an EXTERNAL sender. Please confirm the content is safe prior to opening attachments or links.

Dear Mr. Lee,

I am the owner of a townhouse located in Kuilima Estates. My husband, who has passed away, started coming to Hawaii in the 50's. We married in 1975 and he shared the love of Hawaii with me. We finally were able to afford a townhouse to come to when we were able to get away for a couple of weeks at a time.

Some of the things I am reading in the proposed "Bill for an Ordinance" I would like to address.

- 1. The \$5,000 initial application fee and \$2,500 annual renewal fee seems super excessive given that we already pay GET and TAT and property taxes.
- 2. On each of the proposed requirements, it states that the "Director" may, not will, approve the applications if all the requirements are met. This gives too much authority to "One Person" to approve/disapprove applications.
- 3. Categorizing "Hotel and Resort" in one tax class. They should be in their own separate tax class. Properties such as mine cannot offer all the amenities that a hotel is allowed to own and operate, to which they can generate a lot more taxable revenue. A townhouse is a simple single family residence so we can't generate extra revenue other than the posted nightly rate.

I would appreciate your addressing these issues and to the other DPP members.

Thank you very much.

Nancy Noll (760)941-0762 From: Sara Platte [mailto:saraplatte@icloud.com]

Sent: Monday, August 30, 2021 7:45 AM

To: info@honoluludpp.org Cc: Sara Platte; Mark Platte

Subject: Short Term Rental Operator enforcement/Oppose changing definition of TVUs from 30 days to

180 days

CAUTION: Email received from an EXTERNAL sender. Please confirm the content is safe prior to opening attachments or links.

Hello,

We have been following the proposed changes to the definition of TVUs and there is no need to change the definition from 30 days to 180 days. There are so many people with a variety of needs for short term housing—students, elderly, families, film crews, potential home buyers, business travelers, etc.

As real property Owners of single family, multifamily and vacation properties, we truly appreciate the enforcement actions against violators of Short-Term rentals. Thank you!

Please know we are prepared to speak against these changes and appreciate your consideration.

Sincerely,

Mark and Sara Platte 808-636-1656 808-754-8259



From: Van Den Heuvel, Lisa [mailto:LisaV@cbpacific.com]

Sent: Monday, August 30, 2021 7:34 AM

To: info@honoluludpp.org Subject: Re: Short Term Rentals



CAUTION: Email received from an EXTERNAL sender. Please confirm the content is safe prior to opening attachments or links.

To whom it may concern:

- 1. We fully support enforcement actions against illegal Short-Term Rental operators. There is no need to change the definition from 30 days to 180 days. We just need to properly enforce the 30 day rule.
- 2. As licensed real estate professionals, we frequently encounter people on Oahu who need rentals of less than 180 days. These uses include:
  - Families from out of State that are taking care of loved ones
  - People moving to Oahu and looking to buy a home
  - Families who are waiting for their new home to complete construction
  - · Government contract workers
  - Traveling nurses
  - Military PCS while looking for a home to buy
  - · Home Sellers who need to rent until they find a new property
  - · Film and TV crews while on a shoot
- 3. It is overly broad to include all rentals 30 days or greater as Short-Term Rentals and will harm many local property owners as well as the Tenants that stay in their homes.

If possible use a personal story about a family member or client that used a 30 day rental for one of the purposes above.

Sent from my iPhone

Lisa van den Heuvel RA,ABR,CRS,CIPS,GREEN RS- 69881 Coldwell Banker Realty Kahala Mall Roof Top 4211 Waialae Avenue, Suite 9000 Honolulu, Hawaii 96816

Phone: 808-381-4412

Fax: 808-748-8161

Email: lisa4realestate@gmail.com

Website: www.lisa4realestate.com

4730 Halehoola Place Build your Dream Home

\*Wire Fraud is Real\*. Before wiring any money, call the intended recipient at a number you know is valid to confirm the instructions. Additionally, please note that the sender does not have authority to bind a party to a real estate contract via written or verbal communication.

From: megan arita [mailto:megan.elitepacific@gmail.com]

Sent: Monday, August 30, 2021 6:27 AM

To: info@honoluludpp.org

Subject: OPPOSE the change of long term rentals form 30 to 180 days



CAUTION: Email received from an EXTERNAL sender. Please confirm the content is safe prior to opening attachments or links.

I oppose the change of long term rentals being changed from 30 days to 180 days.

There is a great need for rentals 30 days or longer. I have personally housed countless families with this need. From those needing interim housing between the sale of homes, to families being displaced due to fires, flooding etc. to local families coming to Oahu from neighbor Islands for extended medical treatments that need family housed on island.

I fully support enforcement actions against illegal Short-Term Rental operators.

My name is MEGAN ARITA I would like to register to join the webex meeting. My phone number is 808-343-1277.

All the best.

Megan Arita, RA



Megan Arita , RS-73345
Realtor-Associate, Vacation Rentals - Senior Manager, Elite Pacific Properties
808.343.1277 | megan@elitepacific.com
www.elitepacific.com

IMPORTANT NOTICE: Email scams and wire fraud are becoming increasingly common. Never wire any funds, or provide anyone wiring instructions, without first verifying it by phone with your real estate agent, escrow officer, reservation manager or property manager.

This email and saw tiles transmated with a new confidential and intended sately for the use of the individual or entity in whom they are saddened. Please nonjective sender immediately by e-mail if you have received this e-mail by mistake and defend this e-mail from your systems if you are not the intended see upon you are notified that disclosing verying, distributing or taking any action in reliance and to consensy of this information is strictly probabled.

----Original Message----

From: Richard Huddleston [mailto:richardhuddleston@gmail.com]

Sent: Monday, August 30, 2021 6:15 AM

To: info@honoluludpp.org

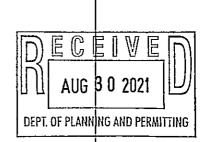
Subject: Please Do Not Change the Rental Period

### **Dear Sirs:**

It is not advisable for you to change the current rental policy for vacation rentals on 'Oahu. It seems like you are thinking about doing this due to pressure from the hotel lobbies. If you do, you will lose out on the taxes you collect and which 'Oahu really needs do to "questionable" projects that need to be paid. Furthermore, it would not be to my personal advantage. Please send information to the proposed webcam meeting to discuss this as I would like to join.

## Sincerely,

Judith Huddleston 313-802-0875 59-001 F Holawa Hale'iwa, Hawaii



From: Brenda Hall [mailto:kiskissa85@gmail.com]

Sent: Monday, August 30, 2021 5:37 AM

To: info@honoluludpp.org

Subject: Registration for proposed changes to vacation rentals



CAUTION: Email received from an EXTERNAL sender. Please confirm the content is safe prior to opening attachments or links.

Brenda Hall 949 874 7556 subject impact on regulating us owners into bankruptcy!!

From: Bob Starr [mailto:bob@bobstarr.ca]
Sent: Monday, August 30, 2021 5:29 AM

To: info@honoluludpp.org

Subject: STR different business partnership perspective



CAUTION: Email received from an EXTERNAL sender. Please confirm the content is safe prior to opening attachments or links.

Mr. Mayor and DPP:

I am directing these comments for the Waikiki Tourist District where we own a condo on the poor mans side of Kuhio Ave. = Demarcation Line. Waikiki is known world wide as a tourist zone. ALL postal code 96815 should be zoned resort

I see you have been working hard to come up with some viable solutions to the STR dilemma. So many voices to listen to. You are making good progress BUT may I offer a bit of a different perspective for your Councilors and DPP? Bringing in registration for STR is a great idea. Maui has had a system in place for 10+ years. See the attached files. You don't have to reinvent the wheel. HOWEVER your DPP is looking at the situation from a back assed punitive, view point. \$5,000 to register on Oahu and prepay your 2<sup>nd</sup> year 3 months in advance OR lose your licence, compared to Maui at \$857, (sign up for 5 years at a discount). That is vindictive and gouging. Especially for an organization looking to become business partners with these STR owners. Does the Hyatt Hotel pay \$2,500 for every room in their building each year?

See the attached pdf from Maui outlining their established STR Fees. They bring in 4 million dollars EVERY year to run this program = just from the fees. 16,000 registered STR X \$271 per year = \$4,336,000. The STR invest the money, say \$400,000. YOU invest nothing. They do ALL the work, cover ALL the expenses and cut you in for 4.712% GET right off the top and another 10% TAT, again right off the top paid up front before expenses. You are guaranteed 15% on your investment of zero. Let's hope they/you make a profit and again YOU are cut in for about another 25% Income Tax on your investment of zero. Then you want to double the land taxes they pay? Now that is a great business partnership for the City. Every Government wants money and control. By working with your new business partner and charging less to register (\$857) and get them HOOKED into your system, you encourage more to participate. YOU have control with ALL the data they fill in. You probably know the name of their new born son by the time they send in the request to be your business partner. YOU can pull the plug anytime with the complaint system and dump that ill performing partnership.

Maui Fee Structure; <a href="https://www.mauicounty.gov/DocumentCenter/View/1678/Planning-App-Fees-Table-A-and-Table-B?bidld="https://www.mauicounty.gov/DocumentCenter/View/1678/Planning-App-Fees-Table-A-and-Table-B?bidld="https://www.mauicounty.gov/DocumentCenter/View/1678/Planning-App-Fees-Table-A-and-Table-B?bidld="https://www.mauicounty.gov/DocumentCenter/View/1678/Planning-App-Fees-Table-A-and-Table-B?bidld="https://www.mauicounty.gov/DocumentCenter/View/1678/Planning-App-Fees-Table-A-and-Table-B?bidld="https://www.mauicounty.gov/DocumentCenter/View/1678/Planning-App-Fees-Table-A-and-Table-B?bidld="https://www.mauicounty.gov/DocumentCenter/View/1678/Planning-App-Fees-Table-A-and-Table-B?bidld="https://www.mauicounty.gov/DocumentCenter/View/1678/Planning-App-Fees-Table-A-and-Table-B?bidld="https://www.mauicounty.gov/DocumentCenter/View/1678/Planning-App-Fees-Table-A-and-Table-B?bidld="https://www.mauicounty.gov/DocumentCenter/View/1678/Planning-App-Fees-Table-A-and-Table-B?bidld="https://www.mauicounty.gov/DocumentCenter/View/1678/Planning-App-Fees-Table-A-and-Table-B?bidld="https://www.mauicounty.gov/DocumentCenter/View/1678/Planning-App-Fees-Table-A-and-Table-B?bidld="https://www.mauicounty.gov/DocumentCenter/View/1678/Planning-App-Fees-Table-A-and-Table-B?bidld="https://www.mauicounty.gov/DocumentCenter/View/1678/Planning-App-Fees-Table-B.

\*\*Table-Paramatic-A-and-Table-B-and-Tabl

Your system of taking the current tax assessed value for a freehold condominium and allocating the same tax rate as a hotel with a different assessed value structure is NOT fair. Building for building the total added up tax structure for the condo structure will be twice the assessed value of the hotel right up front. Unless it is on the waterfront. Need to compare apples and apples, oranges may be the same size but a different entity.

As you know if these owners making a profit .... They put some back into repairs, buy more clothes, cars, computers and the wheels of commerce keep turning. Did I mention more taxes collected. Where do the hotels send their profits, after the tax payers paid to extend their sandy beach frontage and raise the high water mark, to give them more land?

Mahalo

Bob Starr

2440 Kuhio Ave. Apt#1510, Honolulu, HI 96815 USA

## COUNTY OF MAUI REVENUES - FEES, RATES, ASSESSMENTS AND TAXES

			TOTAL TRANSPORTER OF			
ACCOUNT	REVENUE SOURCE		FEE, RATE ASSESSMENT OR TAX	HRS	COUNTY CODE	ORDINANCE
				-		
	2		DEPARTMENT OF PLANNING GENERAL FUND (Cont.)			
			Table B - Fee Schedule (No Public Hearing Required)			
			All other permits or reviews for which no public hearing is			
			required, unless otherwise specified herein (such Flood			
			Development, Farm Plans, Landscaping Approval, and Comprehensive Signage			
			Plans)			•
	1		Business - Country Town Design Appeal			
			business — County town Design Appear		19.510.130	
	}		Additional review required by changes, additions,			
	:		or revisions			
			Maui County Code 19,36A.070, 16,(3,160(BX1)(g)			
			Bed and Breakfast Permits		19.64.040(A)	
	1		1. New Permit:	<b>3</b> 4		
	1		Application Fee S500			
			If Public Hearing Required Additional \$687.50  If B&B Permit approved for	,		
	1		I year			
	:		2 yearsAdditional \$250			
	<b>!</b>		3 years Additional \$500			
			2. Renewal			
			Application Fee			
	, ,		If B&B Extension approved for:  1 year No Additional Charge			
			2 years Additional \$250			
			3 years Additional \$500			
	,		4 years		•	
	; ,	11/	5 years Additional \$1,000			
	1 1	*	Short-Term Rental Home Permit		19.65.050(A)	
	<b>1</b>	7.	1. New Permit:			
			Application Fee \$857	<del>-</del> 1	YK	
	'		If Public Hearing Required Additional \$1,877	. ,		
			If Permit approved for:  1 year	<b>Æ</b> .	197 En	7.100
			2 years	ارسيزسب	10 1 10K	4/10
			3 yearsAdditional \$500	= = 41	1107 FOR	5yrs
			2, Renewal:	·	A 2-	11 9-0
			Application Fee		(40)	i per yr
			l year No Additional Charge			
	i		2 years Additional \$250 3 years Additional \$500			
			4 years Additional \$750			
			5 years Additional \$1,000			
			3. After-the-Fact Short-Term Rental Home Permit Application Fee		19.65.080 (E)(1)(d)	
			Other Permits and Approvals:			
			Building Permit Review Fees		19.04.050	
			Initial Review No Charge		<del>-</del>	
			Review of First Resubmittal			
			Review of Second Resubmittal			
			Sign Variances \$687.50		16 13.170(B)	
			Other Sign Permits		16.13.160(B)(1)(g)	
A PRENITY D		<u> </u>	20.		5 W. I. I. BARL WALL	

From: whollycow@mac.com [mailto:whollycow@mac.com]

Sent: Monday, August 30, 2021 3:15 AM

To: info@honoluludpp.org

Subject: Written testimony opposing the Draft STR Bill



CAUTION: Email received from an EXTERNAL sender. Please confirm the content is safe prior to opening attachments or links.

I am writing to vehemently oppose the draft STR Bill submitted by the DPP. To be very direct, this bill proposes that the government take long standing and legal property rights away from individual property owners, and is specifically written to create a competition-free playground for the corporate hotels on Oahu.

Property owners in the resort zone (whether condominiums or condohotels) have always had the explicit as-of-right to own and manage TVU's without restrictions on who manages the property, how many properties they can own, who are eligible to own them, or the requirement for registration and fees (since it is an as-of-right use).

This draft now stipulates that the government will take away the owner right to choose the best manager for his/her condo-hotel property and the owner has no option except the one hotel pool operator of the condo-hotel. Why is the draft written specifically to benefit the corporate hotels at the expense of individual property owner's long-standing right to choose or self-manage?

This draft now stipulates that the government will take from the owner an registration fee of \$5000 initial and \$2500 renewal from a TVU owner for an as-of-right use of his/her property. Why are hotels not required to pay the same registration fee per each hotel room they operate. Why is this written specifically to benefit the corporate hotels?

This draft now stipulates that the government will take away the owners right to hold a TVU property in a trust, LLC or anything other structure than as a natural person, and that they can only own one property. Does this mean that an owner who legally owns two properties instantly becomes a criminal, and the government will take away the right of the legal property to determine when they want to sell? Why is it that corporate hotels are also not required to hold their property exclusively as a natural person, and they have no restrictions on the number of properties they own?

It is evident that the DPP understands that the government cannot take away property rights -- this draft proposal's treatment of NUC's (NON-

CONFORMING Use Certificates) explicitly preserves the property rights of NUC's because, as DPP Director explained, that NUC's are vested property rights that run with the property. Yet, this proposal intentionally ignores the fact that as-of-right uses also are protected rights and cannot be so flippantly taken by the government, at least not in the United States of America.

This draft proposal takes away individual owner's property rights, and appears to by written by corporate hotel interests. In order arrive at a fair and sensible regulation which I support, I urge the DPP to include short term rental stakeholders as one of the voices in the conversation, so that proposals can be thoughtfully considered and evaluated from multiple vantage points, not just from the corporate hotel's perspective.

Thank you, John An

DECEIVE

AUG 3 0 2021

DEPT. OF PLANNING AND PERMITTING

To whom it may concern,

Regarding the proposed Amendments to Chapter 21 (Land Use Ordinance), Revised Ordinances of Honolulu (ROH)1990, as Amended, Relating to Transient Accommodations, I hereby submit my comments and testimony in opposition.

I fully support enforcement actions against illegal Short-Term Rental operators. There is no need to change the definition from 30-days to 180-days, and I support every effort to properly enforce the 30-day minimum.

The draft Bill plans to ban the legal 30-day minimum vacation rentals in Apartment Precincts in Waikiki. I oppose this Bill for the following reasons:

- 1. There are people on Oahu who need rentals of less than 180-days. These uses include:
  - · Families from out of State that are taking care of loved ones
  - · People moving to Oahu and looking to buy a home
  - Families who are waiting for their new home to complete construction
  - Government contract workers
  - · Traveling nurses
  - Military PCS while looking for a home to buy
  - · Home Sellers who need to rent until they find a new property
  - · Film and TV crews while on a shoot

Those people don't need or want to stay at ocean front hotels paying expensive accommodation fees. There should be an option for them to stay at condos less than 180 days with affordable rates. This also benefits Hawaii's economy.

2. Some buildings in Apartment Precincts in Waikiki ban 30-day vacation rentals in their Building Bylaws, while there are some buildings that allow 30-day vacation rentals. If the purpose of this Bill is to protect neighbors, why not let Owners Associations decide by allowing their input? I do not believe the DPP should override those owners' rights and implement such a one-sided standardized rule ignoring each building's owners' opinion and right to decide.

While it is understandable banning illegal vacation rentals in more quiet "residential" neighborhoods such as Kailua or Hawaii Kai, it makes no sense for Waikiki. Waikiki is unique as a successful tourism destination, with many local businesses, restaurants, and shops, that depend on tourists. Healthy successful tourism needs a variety of accommodations that provide options to visitors. With this proposed Bill it is narrowing accommodations to only local residents with long term 180-day leases, who will not contribute to the special businesses aimed at tourism and income for business owners and the state of Hawaii.

It is obvious that this Bill is aimed to help the Hotel Industry in Waikiki. It does not benefit Oahu by providing healthy competition as it only promotes the vested interest of the Hotel industry and its revenue.

I also oppose this Bill for the following reasons:

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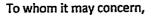
Competition in this industry is vitally important to keep improving Hawaii's accommodation services and attracting visitors to Hawaii. Competition results in better service, better property management with increased tax income to the State that benefits all local residents.

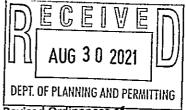
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There should be other ways to stop illegal vacation rentals or solve the issue of the shortage of housing for local residents.

Letting the Hotel Industry monopolize the Oahu's accommodation options will result in a ruined economy.

<u>Name</u>	Kyoko Tanaka	<del>,</del>
<u>Date</u>	8/30/2021	
Signature	Kyoko Tanaka	





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Name _	YOOMEE CHUN	<u> </u>
Date	8/30/2021	
Signatur	e YOOMEE CHUN	

From: Mark Wallem [mailto:markwallem@aol.com]

Sent: Monday, August 30, 2021 2:44 AM

To: info@honoluludpp.org

Subject: Public Comment: Planning Commission Hearing: DPP STR Draft Bill Sept 1 DEPT. OF PLANNING AND PERMITTING



Email received from an EXTERNAL sender. Please confirm the content is safe prior to opening attachments or links.

Thank you for holding this hearing and for soliciting public comment.

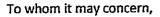
I purchased my condo almost 20 years ago shortly after 9/11 and in addition to residing in the unit from time to time, I have also rented it out to guests, mostly for short term stays. I purchased it with this mixed use in mind - for my own enjoyment and as a source of income by renting to visitors.

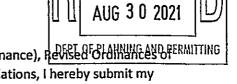
My guests have been orderly and law abiding, bringing great economic benefit to our state's economy, and of course to me - and I pay my state and federal taxes on time and in full. Short term guests visit our state's landmarks, enjoy our restaurants, shop, and spend money! My renters are diverse, including many from Asia, Europe, as well as from Canada and mainland US.

It is unfair as well as economically unwise to now arbitrarily limit or prohibit my rentals after so many years of allowing this. Doing this will, of course, greatly benefit the large hotels who are no doubt thrilled with this move. It will NOT benefit average citizens like myself, who rely on this income and who purchased our properties with this expectation.

Please help us by ensuring that vacation rentals are allowed to fairly compete in the tourist industry for the economic benefit of ALL. Mahalo!

Mark Wallem 2440 Kuhio Ave Apartment 1012 Honolulu 96815





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Letting the Hotel Industry monopolize the Oahu's accommodation options will result in a ruined economy.

Name: DariorM Sanchez

Signature

Date: August 30, 2021

Name: Patricia G Sanchez

Signature /

Date: \_August 30, 2021

From: Plutus21 < plutus21@protonmail.com > Sent: Monday, August 30, 2021 8:12 AM

To: info@honoluludpp.org

Subject: I'd like to join DPP public hearing from a computer, so here's my info to register me for it.

DEPT. OF PLANNING AND PERMITTING

CAUTION: Email received from an EXTERNAL sender. Please confirm the content is safe prior to opening attachments or links.

Aloha to DPP:

Thanks for all you do to keep Honolulu neighborhoods clean (residential code enforcement against animal hoarding), safe, beautiful (removing abandoned junk vehicle wrecks), non-stinky (stopping cat hoarding) etc.

I've rented out long-term rooms by the semester or quarter (90 days and 120 days and of course annually using leases) to mainland students and international students attending UHM, Chaminade, KCC, HCC, etc., and to remote workers coming to Honolulu from California etc., and I'm concerned that innocent Honolulu folks who rent out rooms will get economically hurt by accident under Honolulu's more and more strict anti-visitor/anti-BNB and anti-TVU rules and laws that make minimum stay 180 days or longer. That's too extreme: month to month leases should be fine, like they've worked fine for 100 years in Honolulu since UHM first started accepting students 100 years ago.

Consequently I'd like to join an online DPP public hearing from a computer, so here's my info so I can listen in or make comment via phone or Webex; I was told I must first register by emailing <a href="mailto:info@honoluludpp.org">info@honoluludpp.org</a> with my name (Steve Fahl), phone number (808 308-2648), and subject (monitoring the harsher new rules that will economically harm local families who rent to students and remote workers under 180 days or under 120 days) by 4:30 pm on Tuesday (8/31).

To join the public hearing from a computer, I would like to register

for: https://globalpage-prod.webex.com/join

Meeting Number: 123 096 9887

Meeting Password: dpp1

Mahalo for registering me for the public online hearing.

Respectfully submitted,

Steve Fahl

Sent from ProtonMail for iOS



From: CLK Council Info

Sent: Monday, August 30, 2021 8:38 AM

To: Yamane, Joy < <u>iyamane1@honolulu.gov</u>>

Cc: kc shay@hotmail.com; Chung, Vicki K. N. < vchung@honolulu.gov >; Otto, Pearlene

<potto1@honolulu.gov>; Limos, Irene <irene.limos@honolulu.gov>

Subject: Council Testimony

## **Written Testimony**

Name Casey Shea

Phone

Email kc\_shay@hotmail.com

Meeting Date 09-01-2021

Council/PH Committee Council

Agenda Item Proposal to change Short Term from 30 to 180 days

Your position on the

matter

Oppose

Representing

Self

Organization

I am in opposition of the proposal to change the short term rental from

30 days to 180 days.

Written Testimony

Please see the testimony I have provided attached.

Casey Shea

Testimony Attachment

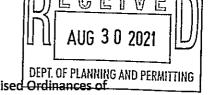
Accept Terms and

Agreement

1

IP: 192.168.200.67

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Name	Christina Davis McCullough		
Date	8/30/21		
Signature	Christina Javis McCullough		

From: James Strzyz [mailto:jijost@aol.com] Sent: Monday, August 30, 2021 9:23 AM

To: Info@honoluludpp.org

Subject: Proposed Amendments to Chapter 21



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Dear Planning Commission Members, I am an owner of three condominiums at the Waikiki Banyan and am alarmed as what I see as negative and disruptive proposed amendments to Chapter 21 which is related to Transient Accomodations. Waikiki, though it does have some percentage of local residents, is primarily a resort zone area. I have used a short-term management company for vacation rentals for years without problems and do not want to be forced into using a condohotel management company. Please reconsider the proposed harmful amendments and vote against them. Mahalo, James J Strzyz

Sent: Monday, August 30, 2021 9:20 AM

To: info@honoluludpp.org

Subject: \*\* SPAM \*\* Hawaiian Monarch AOUO



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My name is Mike Rosenman, board President of the Hawaiian Monarch AOAO. I am writing you because of the severe consequences we will have if we can not continue the exception we had for many years as a non conforming building.

The building has a total of 540 units, the hotel only operates 50 units scattered throughout the building, it was built as a Hotel back in 1979 and most of the 250 sqf units have no kitchen, under these conditions owners will not be able to find long term tenants.

Our building also provides jobs and income for hundreds of individuals and vendors.

The boundary between the resort and the residential zoning literally passes through our property and this is why we were able to operate as a hotel and vacation rental units for many years.

We are looking forward to a favorable and just decision for our building owners, please contact me if you have any questions or concerns.

Mike Rosenman Hawaiian Monarch Board President From: mikio yanashita [mailto:ryusha@gmail.com]

Sent: Monday, August 30, 2021 9:12 AM

To: Info@honoluludpp.org

Subject: Proposed Amendments to Chapter 21 (Land Use Ordinance [LUO]), Revised Ordinances of

Honolulu (ROH) 1990, as Amended, Relating to Transient Accommodations.

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TO: Members of the Planning Commission SUBJECT:

Dear Planning Commission Members,

I am very concerned about the proposed amendment to Chapter 21 which is related to Transient Accommodations.

- According to this bill, the purpose of this ordinance is "to better protect the City's residential neighborhoods and housing stock..."
- According to this bill, short term rentals are:
- "Disruptive to the character and fabric of our residential neighborhoods"
- "They decrease the supply of long-term housing for local residents"
- "They increase the prices of rent and housing".

I don't disagree with the above purpose and facts.

I believe the best way to protect residential areas, housing stock and avoid the negative effects of STR in

residential neighborhoods, is by simply enforcing Ordinance 19-18 (Bill 89).

However, I have a few questions and concerns about the proposed amendment.

- 1: Sec 21-5.360 Condominium Hotels: "Units in a condominium-hotel must be part of the hotel's room inventory"
- I don't see how this Section is related to the original purpose of this ordinance, which is to protect residential neighborhoods. Condominium-hotels are in Waikiki, in resort zones or adjacent to resort zones, hence not in residential neighborhoods. Furthermore, how does forcing property owners of units in Condominium-hotels into being part of the hotel pool enforce the original purpose of this proposed amendment?
- This Section does not offer any benefit to the local community, but only to the hotel industry.
   This Section eliminates any possible competition through legal property management companies and creates a monopolistic market.

I am an owner of a legal STR (TVU) in the Waikiki resort zone, in a Condominium-Hotel. I opted to

have my unit managed by such a professional short-term management company, instead of being managed by a hotel pool. The company that manages my unit is a licensed and bonded company. They have about 25 employees (all living and working on the island) and provide a very reliable and

professional service to me as an owner as well as to our guests.

The fact that units in Condominium-Hotels can be managed by either the hotel pool or by thirdparty management companies creates a healthy and competitive market. Imposing that only the hotel pool is allowed to manage all units in Condominium-Hotels creates a monopolistic market for



the hotel industry. It is obvious that this type of condition has only negative effects for the public (high prices and low-quality service), and only benefits the hotel industry. In a purely monopolistic

model, the monopoly firm can restrict output, raise prices, and enjoy super-normal profits in the long run.

The hotels would be able to charge very high management fees to the owners of hotel-units without

fearing to lose clients, since the owners wouldn't have any other choice anymore. The same would

apply if the owners wouldn't be satisfied with the offered service.

Some Condominium-Hotels have up to 1,000 hotel-units. One hotel operator can easily be overwhelmed by having to manage all the units and can't offer the dedicated, very responsive and

reliable service a management company can for both the owners and the guests. This could even quickly turn the owner's investments into a loss and force many to sell their units.

I agree that the number of tourists coming to the islands needs to be limited. A healthy tourism industry would be highly beneficial for this island. But it is important for the tourism industry as well

to support a healthy, professional, and competitive market. This is the only way to ensure that the supply of vacation units is kept in good condition and the quality of services remains high.

#### 2: Sec. 21-5.730.1: To allow TVUs in the Gold Coast;

It doesn't seem obvious how this section can be in accordance with the original purpose of this amendment, to:

- Stop decreasing the supply of long-term housing for local residents
- Stop the disruption to the character and fabric of our residential neighborhoods
- Stop the increase of rental prices.

# 3: Sec. 21-5.730-2: "Each natural person may own no more than one unit that is registered as a B&B or TVU.

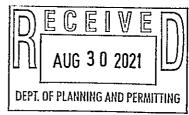
This section does not have any positive impact on the local housing market! Since the number of legal TVUs and B&B will not increase, why does it matter how many units a person owns? Aren't we

living in a free market, where people can invest, own, purchase whatever is legal? What would come

next? Limiting the number of houses someone can own, or the number of cars someone can own? I

don't believe such drastic regulations and limitation of ownership can protect the city's residential

neighborhoods and housing stock.



To whom it may concern,

Regarding the proposed Amendments to Chapter 21 (Land Use Ordinance), Revised Ordinances of Honolulu (ROH)1990, as Amended, Relating to Transient Accommodations, I hereby submit my comments and testimony in opposition.

I fully support enforcement actions against illegal Short-Term Rental operators. There is no need to change the definition from 30-days to 180-days, and I support every effort to properly enforce the 30-day minimum.

The draft Bill plans to ban the legal 30-day minimum vacation rentals in Apartment Precincts in Walkiki. 1 oppose this Bill for the following reasons:

- 1. There are people on Oahu who need rentals of less than 180-days. These uses include:
  - Families from out of State that are taking care of loved ones
  - · People moving to Oahu and looking to buy a home
  - Families who are waiting for their new home to complete construction
  - Government contract workers
  - Traveling nurses
  - Military PCS while looking for a home to buy
  - Home Sellers who need to rent until they find a new property
  - · Film and TV crews while on a shoot

Those people don't need or want to stay at ocean front hotels paying expensive accommodation fees. There should be an option for them to stay at condos less than 180 days with affordable rates. This also benefits Hawaii's economy.

2. Some buildings in Apartment Precincts in Waikiki ban 30-day vacation rentals in their Building Bylaws, while there are some buildings that allow 30-day vacation rentals. If the purpose of this Bill is to protect neighbors, why not let Owners Associations decide by allowing their input? I do not believe the DPP should override those owners' rights and implement such a one-sided standardized rule ignoring each building's owners' opinion and right to decide.

While it is understandable banning illegal vacation rentals in more quiet "residential" neighborhoods such as Kailua or Hawaii Kai, it makes no sense for Waikiki. Waikiki is unique as a successful tourism destination, with many local businesses, restaurants, and shops, that depend on tourists. Healthy successful tourism needs a variety of accommodations that provide options to visitors. With this proposed Bill it is narrowing accommodations to only local residents with long term 180-day leases, who will not contribute to the special businesses aimed at tourism and income for business owners and the state of Hawaii.

it is obvious that this Bill is aimed to help the Hotel Industry in Waikiki. It does not benefit Oahu by providing healthy competition as it only promotes the vested interest of the Hotel industry and its revenue.

I also oppose this Bill for the following reasons:

1. Condo-Hotel properties MUST be operated by the Hotel: There are no illegal vacation rentals in condo- hotels. They are zoned as Hotel/Resort and many privately owned. I'm not a lawyer, but I think it may violate antitrust laws (In the United States, antitrust laws are a collection of federal and state government laws that regulate the conduct and organization of business corporations and are generally intended to promote competition and prevent monopolies). I cannot see any rationale in this move other than monopolizing the tourism market by protecting the hotel industry's interest and destroying legal property management companies.

Competition in this industry is vitally important to keep improving Hawaii's accommodation services and attracting visitors to Hawaii. Competition results in better service, better property management with increased tax income to the State that benefits all local residents.

2. At the City and County level, this bill will affect the market value of many properties. Affecting these values will affect tax revenues and their ultimate use.

There should be other ways to stop illegal vacation rentals or solve the issue of the shortage of housing for local residents.

Letting the Hotel Industry monopolize the Oahu's accommodation options will result in a ruined economy.

Name	Sachiko Pelkaus	
Date	8/30/21	
Signature	· S	

From: Nate Steele [mailto:nsteele@hawaiianmonarch.org]

Sent: Monday, August 30, 2021 8:43 AM

To: info@honoluludpp.org

Subject: DPP war on Transient Units



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Aloha,

My name is Nate Steele, I am the General Manager of the Hawaiian Monarch. I am writing this email in objection to the proposed DPP destroying the vacation rental industry in Honolulu. Giving the Hotels a monopoly on the tourist industry is bad idea. The Hawaiian Monarch was built as a hotel in 1979. We were rezoned sometime later putting us in the apartment precinct. In December of 2018 we were told in writing by the DPP that our entire property was nonconforming and could operate as we always had without fear of losing our hotel status. Now the lively hoods of all of my owners and the hundreds of cleaners and contractors that work in our building every day is being threatened. Our building has 540 units. The usual square footage is 250 square feet. These units were not meant to house people long term as many of them don't have a kitchenette. The only people that have wanted to live in our building long term are drug dealers and prostitutes. This bill will do more harm than good. The State will lose out on all of the extra taxes that my owners pay. My owners are paying 4 times the regular property tax of a residentially zoned property. My owners are paying an additional 10% tax on the income their units generate. These are the taxes you need to stop illegal vacation rentals. The way the bill is written will be literally impossible for any vacation rental to operate legally. The Staff testimony is ridiculous. Locals weren't on the road or beaches because of the lockdown. Schools were closed. Now look at traffic that businesses and schools are open. Waikiki should be left alone. If you don't like tourists or foreigners, then you are living in the wrong State. Anyone that doesn't want to share this beautiful place with the rest of the world is seriously lacking Aloha. Please at least give your 2019 rules a chance before extending the hotel's agenda of squashing the competition so they can form a monopoly and make the dream of visiting Hawaii only available for those that can afford the high Hotel chain rates. Hotel room for the night \$500, or a vacation rental for \$135 a night. How is it legal to limit what people can own and where they can live? Please save our tax money and put it toward something legitimate instead of wasting it fighting the class action lawsuits that will be filed against the DPP and our overlords should they continue to violate our civil liberties. Mahalo

Nate Steele A.R.M. Hawaiian Monarch General Manager nsteele@hawaiianmonarch.org

AOAO Hawaiian Monarch 444 Niu Street Ste #101 From: Alexandra M H Fernandes [mailto:hearn808@gmail.com]

Sent: Monday, August 30, 2021 8:41 AM

To: info@honoluludpp.org

Subject: Proposal to Change "Short-Term Rental" Definition- Testimony



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Hello,

This is in regards to the Honolulu Department of Planning and Permitting report and analysis that was submitted to the Planning Commission. Specifically the proposed change to make any rental under 180 days a "Short-Term Rental or Transient Vacation Unit".

I fully support enforcement actions against illegal Short-Term Rental operators. There is no need to change the definition from 30 days to 180 days. The 30 day rule just needs to be enforced properly.

As a Film & Television professional, I frequently encounter people on Oahu who need rentals of less than 180 days for work. Others who will also be harmed by the changing of this definition are:

- · Families from out of State that are taking care of loved ones
- People moving to Oahu and looking to buy a home
- · Families who are waiting for their new home to complete construction
- Government contract workers
- Traveling nurses
- · Military PCS while looking for a home to buy
- Home Sellers who need to rent until they find a new property

It is overly broad to include all rentals 30 days or greater as Short-Term Rentals and will harm many local property owners as well as the Tenants that stay in their homes.

#### Thank you for your consideration and Aloha!

ALEXANDRA MH FERNANDES GRAPHICS // NCIS HAWAI'I 510 18th Ave Honolulu Hawaii 96816 o) 808.535.4942 c) 808.398.7933 From: Robert Barry [mailto:rbarry@loeb.com] Sent: Monday, August 30, 2021 8:23 AM

To: info@honoluludpp.org

Subject: I strongly oppose changing the definition of TVU's from 30 to 180 days

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The current 30 TVU definition is more than adequate to address the issue of short term rentals if properly enforced. Virtually all of the problem illegal rentals are less than 30-days because vacationers simply don't take vacations that long.

DEPT. OF PLANNING AND PERMITTING

MOST IMPORTANTLY, substantial TAT and GET income would be lost if 30 day rentals were banned. The city of Honolulu cannot afford to lose this revenue.

Robert S. Barry, Jr., Esq. Loeb & Loeb LLP 10100 Santa Monica Boulevard Suite 2200 Los Angeles, California 90067

Phone: (310) 282-2258 Fax: (310) 919-3930 E-mail: rbarry@loeb.com

## TITLE OF TESTIMONIAL: CLOSING THE LOOPHOLE FOR A FORCED CONVERSION OF A RESIDENTIAL CONDOMINIUM INTO A CONDOTEL

Please close the loophole for serious invasion of property rights by forced conversion of the residential condominium into the condominium-hotel or "condotel" that some Association seems to be trying.

After Bill 89, the condominium association I belong to decided to hire an attorney to nullify the effect of Bill 89. I doubted if this attempt that is against the spirit of Bill 89 will be successful and didn't vote for it. I happen to own both NUC and non-NUC properties. So I have no bias against the non-NUC property. I just leased my non-NUC property at a very affordable rental on a long-term basis. Isn't this what Bill 89 was directing all of us into? Anyway, the lawsuit was filed and as I had suspected, the lawsuit didn't seem to be going anywhere.

Unfortunately, the lawyer and the Board didn't stop there and may have become active lobbyists since then. According to the news heard from the street, there were attempts to ask the DPP to convert the residential zoning into resort and hotel zoning limited to one or two particular condominiums. If successful, this sudden zoning change could have brought lots of lawsuits against the City because all of a sudden property tax rates would have increased by more than 1% point for all owners. Those who have been enjoying the property as a primary residence, or long-term lease purposes, or those who have been enjoying short-term transient rental privilege under NUC permit will get damaged most seriously.

Fortunately, this rezoning didn't take place YET. But I was shocked to hear recently at a Zoom meeting held by the Association that the Association may now attempt to convert our residential condominium into a so-called 'condominium-hotel.' The attorney in charge of the Bill 89 issue was implying, not committing, that this conversion could take place by simple amendment of the Declaration by a certain percentage, certainly not by unanimous decision.

Now, this conversion, if forced without a unanimous decision, will bring lots of lawsuits against the Association and against the City that approved the conversion by those whose genuine property rights were seriously invaded. Why?

First, most innocent owners have no idea as to what negative impacts this forced conversion into resort and hotel zone or condotels will bring against them. This is because neither the attorney nor the Board was properly alerting all the owners about the negative impact of the forced conversion into a condotel, even though they seemed to be secretly working for this project, funded by the Association's money. They seem to be advertising only a positive side of the conversion. Recently, this Board suddenly held a Zoom meeting with one-minute advance notice with very few audiences but resisted providing any formal written explanation on how a serious infringement of property rights that our democratic government has been protecting for hundreds of years can take place by a forced conversion process.

Secondly, conversion of the residential condominium into condotels by force is totally against the spirit of Bill 89 which attempts to make more properties available for residential use. Once forced conversion into a condotel takes place, those who have enjoyed the property as a primary

residence will have to be evicted; Those tenants who live there by long-term lease will have to be evicted. Those owners who happen to own more than one unit will be forced to sell away their investments.

As result, lots of lawsuits could be filed against the Association and against the City that approved this forced conversion into a condotel. Why is this nonsense taking place? Can this be prevented by the City? Yes, certainly!

This is happening because the amended Bill didn't close the loophole that can be abused by few radicals who attempt to promote the transient rental business rights of non-NUC owners against the wills of the NUC owners and the owners/ tenants who enjoy residential use of the property.

I believe that an entity called condominium-hotel was created mainly for conversion of existing hotel into a subdivided condominium-hotel. It is never geared for conversion of existing RESIDENTIAL properties into NONRESIDENTIAL properties, against the spirit of Bill 89. Amended Bill can close the gap opened left regarding forced conversion of existing residential properties into a nonresidential hotel use by simply prohibiting such conversion because such is against the spirit of Bill 89, or by strictly demanding that this conversion should be approved only by unanimous decision or by something very close to a unanimous decision.

Testimonial by Dong Ik Lee Aug 30, 2021

From: Rodrick Jacanaonline [mailto:rodrick@jacanaonline.com]

Sent: Monday, August 30, 2021 10:04 AM

To: Takara, Gloria C

Subject: Proposed Bill having Public Hearing on September the 1st

Importance: High



Aloha Gloria,

This attached Testimony is addressed to Brian Lee, the Chair.

I believe there will be much push back and resistance to the increase in time from 30 days to 180 days, which hurts my investments too, however I am not sure that the Condotel Heist or the Hotel Management Monopoly Heist will get as much attention, therefore I must point it out here, in the attached.

Please see and circulate the attached.

My best,

Rick

Cheers,

Rodrick Frazer 611 S Fort Harrison Ave Suite #412 Clearwater FL, 33755





To whom it may concern,

I feel the bill is flawed in many ways and does not address sufficiently many issues that it is looking to solve. It feels like it is written solely to benefit the Hotels directly, and put them at an unfair advantage, without consideration to all the landlords it will impact tremendously, along with tourism sectors it will wipe out, having a negative effect on the tourist industry as a whole.

Not to mention the unfair suggestions with regards to Condotels, without the mention of grandfathering in or compensation, like an Imminent Domain move this section looks to achieve.

I am a Real Estate investor that has been active in the Oahu market since 2016. AND I BOUGHT ALL MY PROPERTY AND UNDERWROTE EACH INVESTMENT WITHIN THE LAW. EACH OF MY INVESTMENT AND THEIR OPERATIONS ARE FULLY LEGAL AND WITHIN THE LAW.

I am involved in several sectors, which I will outline here, all of which will be negatively impacted by this new proposed bill.

Long Term Rentals (12-month leases): I have recently purchased 22 condos in Hawaii Kai for strictly long-term rentals, with the withdrawal of all 30-day rentals in the residential market, housing values will drop across the board and across the island, causing me and others like me (with strategies that actually fit the bill in this case) to lose small fortunes. These are all in the affordable housing sector. We have also purchased houses on island that we rent out long term, again in the affordable housing arena, that we feel would lose value and cause the investments to go bad. The bill incentivizes investors to sell now and move funds out of state.

Also, it is hoped that by stopping rentals less than 180 days that more housing will come on the market for locals at affordable rates. However, in order to be able to sustain the property, likely purchased based on higher revenue needs, and not have the property go into bank foreclosure, the owners and investors will have to increase their long-term rental amounts, again making it unaffordable to most locals. The bottom line needs to remain the same, so long term rental rate will skyrocket.

Mid Term Rentals: We also have condos that we rent out for 30 days, 60 days and 90 days. The 30-day rentals are for doctors from the mainland, travelling nurses, and the like. We have these on both the West Side and the East Side, along with

the Diamond Head Area. They are loved by both the medical and the military professions and offer them perfect lengths of time. The new bill proposes to wipe those out altogether.

We also have property next to great winter surf breaks. We have surfers from all over the world coming to surf. They take the units for between 30 days and 90 days. The surfers would stop coming if they had to rent the properties for 180 days or longer. They also would not be staying in Waikiki (winter surf not good enough) or Turtle Bay Resort (can't afford the \$800 to \$1,200 a night price tags).

Short Term Rentals: I have property in Turtle Bay (Kuilima West and Kiulima East) that I bought specifically to do short term rentals at, as permitted. The idea that I would now have to hand those over to a hotel to choose how to manage my properties, and at what rates, is ridiculous on many levels. Firstly, if I want to selfmanage or have handpicked property management companies (this is what I have done) to manage my units, that I purchased knowing what could and what could not be done, then I should have that continued right. What is being proposed is a Monopoly Environment in which the hotels are given (in this example) but it is similar in town) approximately 400 units in Turtle Bay, for free, without their own investment, to manage and take their fees from (if this needs to happen then the hotels, at a very minimum, would need to buy all the units from the owners at no less than FMV)- AND who will set those new hotel fees? If I self-manage, I do not pay myself to manage, but I can go to a competitive market and get quotes anywhere from 6% up to 25%... what is to stop the hotels charging 50%? Or more? And kill all our investments. In addition, all those units are not uniform, will the hotel be able to take over 400 individually looking units in various states of condition? Some still in original dated levels and others upgraded in varying degrees. Will they force us all to renovate up to a higher grade? Who will pay for that, the hotels? They can't just come in and tell the owner he needs to invest \$100k to bring his/her unit up to hotel standards. And what about quality control, linens, towels, etc.? And now that the Hotel gets to utilize the condo amenities exclusively, will the hotel now start to pay the HOA fees? Or will they charge the guest a Resort Fee to offset the amenity costs and give this amount in full to the owners? Again, this just makes the state seem to not want investors here and I would also sell these units before the values drop and take that money out of state.

We also see many larger families that travel here, want to rent a house for their 2-to-3-week vacation. These affluent families spend a lot of tourist dollars on the island. They do the pricy activities, restaurants, bars, etc. They spend the thousands

of dollars a night in accommodation, then the tourist and GE tax on top – these same people will not go to hotels. They want their privacy, their kitchens for breakfast, the private pool area for their family. They will not take 4 or 5 hotel rooms and then try to find connecting doors and lockouts on the same floor, etc. this is not how they travel, they do not use the suites or penthouses either (of which there is limited inventory anyway). Oahu would lose and entire market sector with this proposed bill. I am not sure what the bottom-line loss would be but can imagine substantial as these families travel and spend elsewhere.

Retail Property: We also have small retail outlets that we run eateries out of. These we both own ourselves and rent from landlords. With the proposed bill, I believe there will be less tourists spending money on the island, and therefore less locals with money in their pockets to spend, and I believe it would hurt our outlets and would need to consider reducing the number of commercial outlets we operate or close them down.

Personal Property: I have also purchased a unit in Condotel for myself and the use of my children and parents. We live on Kauai, and I need to travel over to Honolulu regularly for business. It is too costly to get a hotel room for each trip, AND I have OFTEN had it where hotel rooms were fully booked, and I was not able to get a room (ironically enough, Airbnb was the saving grace, but in times where hotel rooms are full, the rates for BNB are also too high). My parents are now in their 80's and are flying more often to Oahu to go to the hospitals and see the specialists in Honolulu. I bought this condotel unit also for my parents to use during their hospital visits. I also bought it to have the kids be able to fly over and go to the malls, the movies, the arcades, and to go to spring, summer, and fall camps (all things we do not really have on Kauai). I bought the unit at that particular property because it allows me unlimited access to the unit. I do not have it in the hotel rental pool (A) because I need it for many months each year, and I need the complete flexibility due to the hospital and work needs, and (B) it is not possible to make money in the hotel rental pool, even in 2019 (pre-covid) the 13 units I analyzed all lost money.

This new bill proposes to kick me out of my own unit, not allow me in unless I pay full rates and forces me to enter into an investment pool that would cause me to lose money every month, AND it offers no compensation for this. I have met people living at the property, some elderly people who moved in when it opened, making it the only home they have known in the last decade, are you going to evict them too? I want to keep the unit that I bought, and I want to keep it for all the reasons I mention, I do not want to be kicked out of it. And any compensation would have to be more than what I paid for the unit, as it cost a lot of time, effort,

and money to arrive at the point of purchase, and it holds a lot of intrinsic value for us: location, property condition, amenities, security and safety, things that I deem important for myself, my kids, and my aging parents. THIS IS A SIGNIFICANT TAKING and is EGREGIOUS.

Additionally, I'd I chose to rent out my condotel long term, 365 days or more at affordable rates to locals, the proposed bill would forbid this, negating its goals further. The agreements that I have with the CondoTel state that I can stay in the unit whenever I choose, I can self-manage for long term tenants (1 year and longer), BUT, only the CondoTel management may rent the condo out for anything less than 365 days and they charge 50% management fee. Meaning, if forced out of my unit and forced to hand it over to them, I have no options open to me, and the current management could even choose to increase their rates further as they have the monopoly – so the bill would have to force all condotel operators to allow for competition and be open to allow all owners to choose who they want to have operate their units and be able to agree and negotiate much lower property management rates.

As a family we spend a lot of money in Honolulu when we come over, if we were kicked out of our own apartment, I would take those "tourist" dollars elsewhere, hurting restaurants, shops, and other small businesses in general on Oahu. I bought my condotel 100% for the sole purpose of my and the family's own personal use, otherwise I would not have bought it, as it makes no financial sense as an investment if it's in the hotel pool. This bill would prevent me from entering my own condo and force me to enter a negative cash flowing investment vehicle, while simultaneously devaluing my asset, and offering me nothing in return.

In reality, this does not even warrant being part of the proposed bill, our condotel has less than 1% owner occupied/owner use, so why even attempt to evict owners from their units / disallow them to access their units, when over 99% of the units are available for rentals.

<u>In short</u>, this bill hurts me and landlords like me in every department. I am doing everything within the law, I am complaint and legal – this bill proposes making everything I am doing illegal, without regard to me. The hotel "power" driving this bill pushes me to want to sell everything on Oahu and take 100% of the funds off island – it hurts the small guys and almost all non-hotelier landlords in general. It proposes to evict me out of my own Condotel unit that I bought expressively to live in when on Oahu, which is simply not fair or right. It is my second home – and

no grandfathering options seems against normal housing rights. I bought in a Condotel and not a hotel unit or other property, because of the rights they afford me. I think having no language for compensation (it is an eminent domain type of bill in this regard) or grandfathering in the bill makes it extremely unjust.

And what about the uber wealthy families that bought a \$12m condotel unit, in the Ritz for an example, do you evict them too? Tell them they have to rent it out in the hotel pool and can no longer visit their place? What does that even need to rent out at per night to make sense, and how many people that come here can afford those rates?

The bill proposes not only a monopolistic rule over all tourism for the hotels, but it is also one of the biggest heists in real estate history, whereby the operations and decisions are taken out of the hands of the actual owners and put, for free, into the hands of the hotel reservation systems — a large, mandated transfer of income with no consideration given in return.

The bill introduces itself or rather cloaks itself, blaming tourists for late party noises in the neighborhoods. If we are honest, most tourists that go to a nice residential neighborhood do not know anyone in Hawaii to party with (they are on holiday, i.e., away from home and friends and colleagues), and they are usually sleeping by 9pm for the first week of their trip, due to jet lag having flown in from vast distances in order to reach the islands). Meanwhile we locals have our friends and family over to watch the sports on the TV in the open garage or carport, drinking and eating with relatives, and having a great time – to blame big parties in residential areas on the tourists is a bit of a stretch.

I see in the papers that 500 mainland health workers are coming to Oahu to help with the hospital/covid situation, where will they all stay?

From: CLK Council Info

Sent: Monday, August 30, 2021 10:42 AM To: Yamane, Joy <jyamane1@honolulu.gov>

Cc: kylegillick@gmail.com; Chung, Vicki K. N. <vchung@honolulu.gov>; Otto, Pearlene

<potto1@honolulu.gov>; Limos, Irene <irene.limos@honolulu.gov>

Subject: Council Testimony

### Written Testimony

Name

Kyle Gillick

Phone

Email

kylegillick@gmail.com

Meeting Date

09-01-2021

Council/PH

Committee

Council

Agenda Item

Proposal to change Short Term from 30 to 180 days

Your position on Oppose

the matter

Representing

Self

Organization

As a disabled Veteran who has grown up in Hawaii and Served 8 years on active duty, I am appalled how the city council serves mainland hotels chains over its own citizens who seek to earn their own income from property owned in downtown Honolulu and Waikiki. I

DEPT, OF PLANNING AND PERMITTING

Written

understand not allowing shot term rentals in residential

neighborhoods, but please stop with the corruption. The people have Testimony

little money, and people like me depend on extra flexibility in renting out their house/property for less than 180 days. I don't want to have to break newly imposed laws influenced by hotel chains just to feed

myself and put a roof over my head.

Testimony Attachment

Accept Terms and Agreement

IP: 192.168.200.67

----Original Message-----

From: crowm001 [mailto:crowm001@hawaii.rr.com]

Sent: Monday, August 30, 2021 11:39 AM

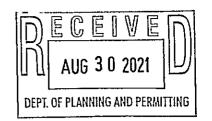
To: info@honoluludpp.org

Subject: proposed amendments to Chapter 21

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This should be passed, we have experienced how disturbing short term rentals can be in our residential areas, cars coming and going all the time, late night parties, mp regard to neighbors, etc

merle crow



From: Mollie Foti

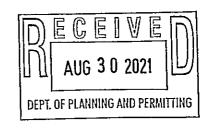
1343 Mokulua Drive

Kailua, HI 96734

To: Honolulu Planning Commission

Chair, Brian Lee

August 30, 2021



This letter is in support of DPP's proposed amendments to the Land Use Ordinance, relating to transient accommodations. These changes to the LUO will finally provide a clear path to reigning in the huge problem that illegal vacation rentals have become in the past 30 years.

I have been following the vacation rental problem here on Oahu since it first surfaced in the late 80's. Our family are long time Kailua/Lanikai residents, home owners, and we own rentals that provide long term leases to local residents.

Over the past years we have seen many houses in our community turned from homes into vacation rentals, most of them owned by investors from around the world and none of them legal rentals. The introduction of AirB&B and VRBO has dramatically increased the number of people willing to break the law and violate our neighborhoods. They aren't neighbors so they have nothing to lose.

Very few of the illegal rentals in our community are owned by residents who have to rent out a room or a cottage in order to pay the mortgage. There is a woman in the block next to our home who has 2 rentals on her property in addition to the part of the house she occupies. The thing of it is, she also has a home in Wyoming and lives 6 months of the year there and 6 months here. She votes in Wyoming. All of her units are vacation rentals, including her "home" unit when she leaves for Wyoming. I asked her why she didn't just rent long term, since she obviously doesn't need money to pay a mortgage. The answer—she can just make so much more money with vacation rentals and I suppose that supports her high-flying life style. I doubt she considers herself a criminal, but that is what she is and our current laws allow it.

Another part of the problem is what it does to the supply of rentals for our own people—those who cannot afford to own a home and need affordable rentals or must

double up and live with relative to survive. The price of rentals is driven up as the supply diminishes. The end result is to force people to move away from Hawaii, move in with family or to live in a tent somewhere. It's impossible for young people to get ahead. We need to be thinking about providing homes for the working people of Hawaii who keep our communities running and for the younger generation to stop the brain drain to the mainland.

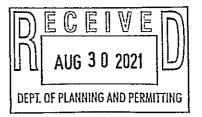
And the last part of this problem is over-tourism, the ill effects of which have been brought to the fore during the pandemic shutdown. No, we cannot sustain 10 million tourists a year; tourists who don't want to stay in the hotels that are the mainstay of our economy, thinking that a rental in a neighborhood gives them an authentic Hawaiian experience, never mind who they impose upon. Illegal vacation rentals have provided an ample supply of options outside of our resort zones and are the reason that although the number of tourists has gone up, the revenue to the state has fallen. This is not a good way to manage an industry.

Vacation rentals truly are a cancer impacting our livelihoods and our lives. These Land Use changes are the right medicine to control them and give the residents of Oahu a better outcome.

Thank you for your attention.

Mollie Foti

To Whom It May Concern:



I am an owner of three properties in the Ilikai Hotel. Your bill as it stands forces me, as the owner, to transfer the management of my short term rental to a Hotel Pool that charges 50 percent of the daily rate. I have a mortgage to pay and the only reason why I purchased these units was because they are LEGAL RENTALS and have been for many years. I don't understand how "forcing me into the hotel pool" solves the cities issues with illegal Airbnbs. I appose this bill as it does nothing other than give Hotels the power to dictate prices and provides no competition and it will directly impact the income my Airbnb are generating. The bill does nothing to crack down on illegal short term renting. The only ones it affects are owners like myself who have run our condo hotel legally and the right way. I paid a premium for these condos because they are legal short term rentals. In addition, the hotel that's in the Ilikai is short staffed, was not opened for the entire year due to covid and frankly, forcing me to use them and only them to manage my property is unconstitutional and violates my rights as a property owner of a legal airbnb. I strongly suggest the committee remove the forcing of condo hotel owners to transfer their management to the hotel in its entirety and I suggest you focus on illegal airbnbs. Owners like myself have the resources to take legal action and WE will fight this to the fullest extent of the law.

Respectfully,

Jorge and Jacqueline Milanes

From: Randall Roth [mailto:rroth@hawaii.edu] Sent: Monday, August 30, 2021 11:29 AM

To: info@honoluludpp.org Cc: Susie Worm Roth

Subject: Proposed Amendment to Chapter 21

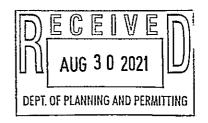


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We are long-time residents of Honolulu who **support** the Department of Planning and Permitting's proposed amendments to Chapters 8 and 21 of the ROH (Revised Ordinances of Honolulu) and Chapter 21 of the LUO (Land Use Ordinances) relating to transient vacation units, bed and breakfast homes and hotels. We urge passage of these proposed changes. Mahalo.

Randall and Susan Roth

### Testimony to DPP Regarding Proposed STR changes 9/1/21



I want to address one specific item that has been raised as a potential change: the idea of re-defining a short term rental as a period of less than 180 days. For the purpose of taxes, it is already defined as this, so I can only assume the intention is to further restrict the ability to rent at all for less than 180 days. This would be an act of extreme government overreach into personal property rights. And I have to wonder, what specific problem are you trying to "correct"? It seems to me that the central issue is influence from the hotels / big corporations because the rules already in place are already addressing other city concerns - and would do so further if actually enforced. Is it really your job to make sure billion dollar multi- national corporations make money v. local homeowners?

I have followed every additional restriction as they have changed, and I do not have a problem with the 30 day minimum to keep neighborhood streets from become resort zones. I understand that. I rent my house for a minimum of 30 days on occasion and pay taxes accordingly. I have rented to military / government families who are relocating and do not want to stay in a hotel with multiple kids and a dog, I have rented to families who could work from home and just want to do so in a beautiful location for a month, and I have rented to a group of four professionals who were doing the same. None of these travelers were traditional "tourists" and none of them would have chosen to come and stay in a hotel as an alternative. People don't stay a month in a hotel – they stay a week! The 30 day limit already makes that distinction between short term vacationer and temporary resident/ temporary housing. They bring revenue into the community, supporting restaurants, tourist activities, rental cars, home maintenance, pool care, airlines, cleaners, construction and repairs... The only thing it doesn't support is the hotel industry.

We personally like the flexibility of leaving our rental furnished and being able to clean and maintain, or use it ourselves in between rentals. We have two living spaces on the same property and are almost always present when we rent.

We have invested literal blood, sweat, and tears into our home, and a massive amount of work, savings, and effort to purchase it in the first place, so to be further restricted on how we can rent our own property would be a massive insult

to ourselves and other hard working homeowners across this island. Its not about monthly income; I can rent it long term for the same price after taxes, your taxes have already leveled that "playing field" but its about flexibility, being about to rent the home when we want to or if we need to.

Address specific problems with enforcement of existing regulations rather than adding another layer of bureaucracy to a failed system. What's next? 220 days? When does this creep of control stop? Where is the line? When big corporations and the government are allowed to make money but individuals aren't?

Here's the solution. Keep the 30 day minimum. Take the tax money. Let Airbnb collect it for you. The state will take in millions more and you can use it to address the perceived issues driving these proposed changes. Give hotels a tax break if you insist, just don't infringe on individual property rights any more than you already have.

Martha Stefanowicz (808) 457-7322

From: Katrina Galvan [mailto:katrina@galvanhawaii.com]

Sent: Monday, August 30, 2021 11:20 AM

To: info@honoluludpp.org

Subject: OPPOSED to changing Short Term Rentals from 30 days to 180 days

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Aloha.

I am opposed to the DPP changing the Short Term Rental definition from 30 days to 180 days.

If the definition of a short-term rental property is changed from 30 days to 180 days, the homes I manage averaged assessed values would be above \$3 Million. Of those properties the owners would let the homes sit and no use would come of them. The homes would not sell and the owners will not allow long term renters. The properties will sit unused by anyone except the owners and their guests.

#### Sincerely,



Katrina A Galvan
REALTOR, Elite Pacific LLC
Property Manager | 808.321.5782 | Katrina@ElitePacific.com
www.elitepacific.com/rent | www.evrhi.com
419-B Kuulei Rd, Kailua, HI 96734 | RB-23297





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Tenant Portal Access: https://elitepacificproperties.appfolio.com/connect/users/sign\_in

A reminder to tenants – if you are in need of repairs, please notify your property manager by FIRST submitting a work order through the tenant portal. When submitting a work order include a full description of the problem. If you are in need of an appliance repair please include the appliance Model # and Serial # with the work order.

If you are experiencing an emergency repair, please contact your property manager directly via phone, text, or email.

Owner Portal Access: https://elitepacificproperties.appfolio.com/oportal/users/log\_in

Available Long Term Rentals: https://www.elitepacific.com/rent

Available Short Term Rentals: https://evrhi.com/



A notice to VENDORS - If you are a vendor and have a question regarding payment or status of payment please contact the corresponding accounting departments listed below.

Long Term Accounts Payable: 808.589.2040 Extension 5 (Property Management) Vacation Rental Accounts Payable: 808.589.2040 Extension 4 (Vacation Rentals)

Elite Accounting Department: 808.589.2040 Extension 6

IMPORTANT NOTICE: Never trust wiring instructions sent via email. Cyber criminals are hacking email accounts and sending emails with fake wiring instructions. These emails are convincing and sophisticated. Always independently confirm wiring instructions in person or via a telephone call to a trusted and verified phone number. Never wire money without double-checking that the wiring instructions are correct.

From: Catherine Tang [mailto:waikikiph201@gmail.com]

Sent: Monday, August 30, 2021 11:15 AM

To: info@honoluludpp.org

Cc: nsteele@hawaiianmonarch.org

Subject: Opposition to DPP to make Vacation Rentals Illegal



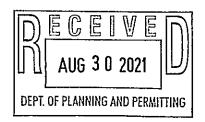
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Aloha,

I am an owner at the Hawaiian Monarch. I oppose the proposed DPP to destroy the vacation rental industry in Honolulu. This is a ruthless proposal given the economic trauma that Hawaii has already faced throughout the pandemic. My and my staff's livelihood depend on the short term rental business. As a small business owner of 2 short term rental units, I employ a team of 4 house cleaners, who are paid \$25/hour (well above the local minimum wage), and countless handymen, plumbers, electricians, etc. Their families also depend on this income. This is not to mention the additional taxes I pay - higher property taxes, TAT, GET. How can I rent out a unit to long term tenants that do not have a full kitchen?

As an investor, we might be forced to leave Hawaii. Who will be there to fund Hawaii's growth? Who will be there to invest in Hawaii's future without investors and without tax dollars? Think again if you think the monopolistic hotels will be there for you.

Please reconsider, Catherine



To whom it may concern,

Regarding the proposed Amendments to Chapter 21 (Land Use Ordinance), Revised Ordinances of Honolulu (ROH)1990, as Amended, Relating to Transient Accommodations, I hereby submit my comments and testimony in opposition.

I fully support enforcement actions against illegal Short-Term Rental operators. There is no need to change the definition from 30-days to 180-days, and I support every effort to properly enforce the 30-day minimum.

The draft Bill plans to ban the legal 30-day minimum vacation rentals in Apartment Precincts in Waikiki. I oppose this Bill for the following reasons:

- 1. There are people on Oahu who need rentals of less than 180-days. These uses include:
  - Families from out of State that are taking care of loved ones
  - People moving to Oahu and looking to buy a home
  - · Families who are waiting for their new home to complete construction
  - Government contract workers
  - Traveling nurses
  - · Military PCS while looking for a home to buy
  - Home Sellers who need to rent until they find a new property
  - Film and TV crews while on a shoot

Those people don't need or want to stay at ocean front hotels paying expensive accommodation fees. There should be an option for them to stay at condos less than 180 days with affordable rates. This also benefits Hawaii's economy.

2. Some buildings in Apartment Precincts in Waikiki ban 30-day vacation rentals in their Building Bylaws, while there are some buildings that allow 30-day vacation rentals. If the purpose of this Bill is to protect neighbors, why not let Owners Associations decide by allowing their input? I do not believe the DPP should override those owners' rights and implement such a one-sided standardized rule ignoring each building's owners' opinion and right to decide.

While it is understandable banning illegal vacation rentals in more quiet "residential" neighborhoods such as Kailua or Hawali Kai, it makes no sense for Waikiki. Waikiki is unique as a successful tourism destination, with many local businesses, restaurants, and shops, that depend on tourists. Healthy successful tourism needs a variety of accommodations that provide options to visitors. With this proposed Bill it is narrowing accommodations to only local residents with long term 180-day leases, who will not contribute to the special businesses aimed at tourism and income for business owners and the state of Hawaii.

It is obvious that this Bill is aimed to help the Hotel Industry in Waikiki. It does not benefit Oahu by providing healthy competition as it only promotes the vested interest of the Hotel industry and its revenue.

I also oppose this Bill for the following reasons:

1. Condo-Hotel properties MUST be operated by the Hotel: There are no illegal vacation rentals in condo-hotels. They are zoned as Hotel/Resort and many privately owned. I'm not a lawyer, but I think it may violate antitrust laws (In the United States, antitrust laws are a collection of federal and state government laws that regulate the conduct and organization of business corporations and are generally intended to promote competition and prevent monopolies). I cannot see any rationale in this move other than monopolizing the tourism market by protecting the hotel industry's interest and destroying legal property management companies.

Competition in this industry is vitally important to keep improving Hawaii's accommodation services and attracting visitors to Hawaii. Competition results in better service, better property management with increased tax income to the State that benefits all local residents.

2. At the City and County level, this bill will affect the market value of many properties. Affecting these values will affect tax revenues and their ultimate use.

There should be other ways to stop illegal vacation rentals or solve the issue of the shortage of housing for local residents.

Letting the Hotel Industry monopolize the Oahu's accommodation options will result in a ruined economy.

Signature

From: Maria@blondiesstyle.com [mailto:maria@blondiesstyle.com]

Sent: Monday, August 30, 2021 11:10 AM

To: info@honoluludpp.org

Subject: DPP proposed STR regulations



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The proposed bill to increase rentals to a minimum of 180 days is an attack on our property rights. It only benefits large hotels. It is the people that need the income from STR's to survive. The hotels will not go out of business or close while property owners who rely on that extra income will suffer.

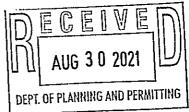
Many travelers can not afford hotels and STR's offer an option whereas they might not even come to Hawai'i.

Show some Aloha to visitors and support property owners.

I am totally against these new proposed regulations.

Maria Morgan

714 • 838 • 0331



To whom it may concern,

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  - · Government contract workers
  - Traveling nurses
  - · Military PCS while looking for a home to buy
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Letting the Hotel Industry monopolize the Oahu's accommodation options will result in a ruined economy.

Name Scott WALKER.

Date 8-30-2021.

Signature Scott Walk.

From: Sandy Duong [mailto:sandy.duong08@gmail.com]

Sent: Monday, August 30, 2021 10:41 AM

To: info@honoluludpp.org Subject: Hawaii STR Restrictions



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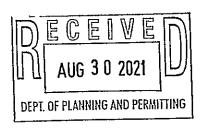
To whom may this concern,

My name is Hanh Duong. I lived in Hawaii for over 13 years. As a business entrepreneur, I have a couple properties which are listed on Airbnb. I would like to address my concern about the proposed STR amendments. I firmly believe the proposals of the Hawaii Planning Commission are not designed to help small business owners like myself or others, but to help the hotel chain industry by creating more constraints on small business owners and taking away the choice that consumers have to use the best and affordable services available to them. Since the COVID-19's pandemic, business owners like myself and others have already taken a great financial loss without any support from the State or Federal. I urge the Hawaii Planning Commission to withdraw these proposals.

Sincerely,

Hanh Duong

#### Randolph G. Moore 2445-A Makiki Heights Drive Honolulu Hawaii 96822



Telephone (808) 778-8832

email makikimoore@gmail.com

August 30, 2021

Mr. Brian Lee, chair and members of the Honolulu Planning Commission c/o Department of Planning and Permitting Municipal Office Building Honolulu, Hawaii

Dear Chair Lee and members of the Honolulu Planning Commission:

Subject: Proposed Amendments to Chapter 21 (Land use Ordinance [LUO]), Revised Ordinances of Honolulu (ROH) 1990, as Amended, Relating to Transient Accommodations

I am 100% supportive of the amendments proposed by the staff of the Department of Planning and Permitting regarding transient vacation rentals and bed-and-breakfast operations.

If and when implemented, these amendments would restore order to residential neighborhoods that have been over-run by visitors in illegal vacation rentals.

One suggestion: require each of the presently-permitted vacation rentals in residential areas to post a sign, similar to the signs that now are in front of historic residences, and installed adjacent to the residence's mailbox, identifying the residence as a registered vacation rental unit. Something like:

Registere	d vacation rental
[:	address]
N	lo.

This would give the neighbors notice that a particular residence is indeed a permitted vacation rental and also notice, by absence of such a sign, that a particular residence is not a permitted vacation rental.

Provide a reasonable period of time for registered vacation rental owners to install such a sign, and provide a penalty for failure to do so.

Mahalo for your consideration.

Sincerely yours,

Sincerely,

Randolph G. Moore

From: Waikiki - Hawaii Condo [mailto:hawaiicondo@yahoo.com]

Sent: Monday, August 30, 2021 10:35 AM

To: info@honoluludpp.org

Subject: Testimony in SUPPORT of Proposed Bill on Short Term Rentals



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To the members of the Planning Commission,

I'm writing in support of the bill to better regulate and enforce the laws that illegal vacation rental operators are breaking. These illegal vacation rentals have disrupted life, not only in residential neighborhoods that are mostly houses, but also in the neighborhood of Waikiki's Apartment Precinct that is filled with long-term residents in residential condo and apartment buildings.

As a resident in the Apartment Precinct I have seen the selfish rudeness of investors forcing their illegal businesses in condo units next to long-term occupants that result in the lobbies and elevators filled with strangers and suitcases like hotels. This is even when they know the zoning does not permit it!

They stuff their investment condos with a turnstile of vacationers - happy to be on vacation and ready to party. Good law-abiding, long-term occupants end up moving because of all the disruption, and many of those who are tenants end up having to move because landlords want to operate STRs.

A few years ago, a couple of young vacation rental guests staying in a Waikiki Lanais condo unit on Tusitala St. owned by an investor from CA found a few paint cans, opened the tops and hurled them off the 18th floor lanai causing \$90,000 to \$100,000 damage to the tile roofs on low-rise neighbor buildings, several cars, and the side of our newly painted building and lanais below them.

If the trend is that tourists want kitchenettes while on vacation, then the City and DPP should encourage and quickly authorize permits to hotels to renovate their properties in order be more like a Residence Inn. That would be a win-win for tourists who want to cook, and for the residents of residential condo buildings and houses who want the security of knowing one's neighbors.

Regarding the number of days of a minimum rental, please consider 90 days instead of 180; but definitely a term longer than 30 days is needed.

Respectfully, Kim Jorgensen From: Nerijus Puida [mailto:puida1975@gmail.com]

Sent: Monday, August 30, 2021 10:34 AM

To: info@honoluludpp.org

Subject: Testimony Regarding Proposed Short-Term Rental Bill



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Dear Planning Commission Members,

My name is Nerijus Puida, I am beyond concerned about the proposed bill related to Transient Accommodations. This bill threatens to wipe out our legal short-term rental management business that we built over the years. We own 5 condos in the Ilikai Apartment Building that falls under the resort-zoned condo hotel category.

According to a new bill:

"The purpose of this Ordinance is to better protect the City's residential neighborhoods and housing stock from the negative impacts of short-term rentals".

That sounds reasonable and my first impression was that the city will simply enforce Ordinance 19-18 (bill 89) that was signed in July of 2019. However, after reading the entire bill it is obvious that one of the main purposes of this bill is to place massive and unreasonable restrictions on legal resort-zoned Waikiki condo hotels and TVUs and hand over short-term rentals to the Hotel industry:

# 1: Sec 21-5.360 Condominium Hotels: "Units in a condominium-hotel must be part of the hotel's room inventory"

This section has nothing to do with protecting residential neighborhoods and housing stock from negative impacts of short-term rentals. The only purpose of this ordinance is to hand over property rights from the owner to the hotel industry.

If this ordinance is passed, all privately-owned condo-hotel units would be forced to go through the hotel pool. Hotels will be able to charge high management fees since all competition is eliminated, bear no financial risk of real estate investment, and have no fear of losing clients since owners would have no other choice. They will have no pressure to increase occupancy rates and provide excellent service.

For example, in 2014 the owner of Ilikai Hotel, iStar Financial, renovated and sold all 203 units to individual owners at a premium price to eliminate all financial risk and signed exclusive management contracts with new owners for approximately 50% management fee. Instead of keeping their units and/or growing the inventory, the hotel decided to cash in and place all the financial risk to individual condo-hotel unit owners.

On the other hand, owners like me, will be penalized for buying the most protected legal short-term rental property and paying a premium price for the rights to do short-term rentals. They will have no input or ability to manage their unit while accepting all financial responsibility of paying mortgage payments, maintenance fees, maintenance done by the hotel, property taxes, etc.

To summarize, hotels will enjoy high profits and the only owners who will benefit from this arrangement will be high net worth individuals who are able to buy condo-hotel units with cash only and accept a very low return on their investment to diversify their portfolio. For owners like me, who have a sizable mortgage this arrangement will be devastating. Going through the hotel pool we will be happy to breakeven and will be forced to sell our properties at much lower price and lose a big portion or all the equity we built over the years through hands on management, excellent customer service and constant improvements to our condos. Also, people that we hire as housekeepers, electricians, plumbers, maintenance guys, local furniture stores, etc. will have a negative impact on their lives.

I agree that short-term rentals must be better regulated. All legal short-term rental must pay GET and TAT taxes, and property taxes based on the existing hotel/resort property tax category. The healthy and fair competition between hotels and private condo-hotel short-term rentals is necessary. Healthy competition ensures the quality of service to our guests, helps owners to preserve and grow their real estate investment.

Nerijus Puida 808-721-0061 puida1975@gmail.com From: Nancy Taylor [mailto:taylorn005@gmail.com]

Sent: Monday, August 30, 2021 10:33 AM

To: info@honoluludpp.org

Subject: Transient vacation units, bed and breakfast homes



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Aloha - I write in support of the Department of Planning and Permitting's proposed amendments to Chapters 8 and 21 of the ROH (Revised Ordinances of Honolulu) and Chapter 21 of the LUO (Land Use Ordinances) relating to transient vacation units, bed and breakfast homes and hotels. The unbelievable proliferation of vacation rentals in our residential neighborhoods have had extremely negative impacts on so many different areas in Honolulu. This amendment would help to rectify this situation.

Thank you for your consideration of my opinion.

Aloha.

Nancy Taylor Kaneohe, Hawaii From: Faruq [mailto:fa27sf@gmail.com]
Sent: Monday, August 30, 2021 10:17 AM

To: info@honoluludpp.org

Subject: Submission for 91/ Planning Commission meeting



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To: Honolulu Department of Planning and Permitting (DPP), for consideration for September 1, 2021 meeting to discuss Proposed Amendments to Chapter 21 (Land use Ordinance [LUO]), Revised Ordinances of Honolulu (ROH) 1990, as Amended, Relating to Transient Accommodations

From: Faruq Ahmad, owner of a condotel unit at Ilikai Marina (signed copy attached)

Dated: 28 August, 2021

I have reviewed the Memo dated August 13, 2021 which summarizes Proposed Amendments to Transient Accommodations. I have owned a condotel at the Ilikai Marina for almost 20 years. I support the motivations as described in the Background section of the Staff Report. However, I request the Commission to reconsider certain key Recommendations.

I visit Hawaii as a respectful member of the community, and have been active in initiatives designed to enhance Hawaii welfare and employment, especially in the high-tech sector. I have mentored and advised companies, and also participated at UofH initiatives and events. I intend for this to continue.

I urge the Commission to crackdown on illegal Short-Term Rental operators. They
deprive the State of tax receipts, and because they are unregulated are ultimately "disruptive
to the character and fabric of our residential neighborhoods", and the Staff Report correctly
points out.

Legal Renters like myself however already pay Hotel Taxes for the privilege, and should not be made subject to increased fees or restrictions.

2. Changing the definition of Short Term Rental to less than 180 days is unnecessary and would defeat the definition and purpose of the Committee. There are numerous categories of travelers who need accommodations for less than 30 days, a need which the Ilikai Marina helps provide and has done so for decades, from its Resort location. Such Travelers do not need the extra services Hotels provide, but do need the flexibility of short-term accommodations as they help the economy.

The Ilikai Marina is in Waikiki, which is already a tourist area. A condotel like Ilikai Marina supplements and complements conventional hotels, pays the same tax rates, and should continue to be allowed to offer less than 30 days the way hotels do.

3. The Proposal seems to suggest that all units should be centrally rented, as in a Hotel. I use a third-party rental agent, and would like to continue to do so. I am happy with their

service, and do not think it appropriate for the Commission to force me to do otherwise. The Commission should not appear to be favoring hotels.

- 4. There are residents at the Ilikai Marina who use their units as primary residence. I may well also choose to do so in the future, if I move to Hawaii. The Commissions' proposal to disallow this is an unreasonable and improper limitation. It will also result in the loss of homes to individuals who currently use it as primary residence.
- 5. The actions recommended will potentially reduce cash flow for me, and cause the value of my unit to fall.

From: Victor Ward < vicfly@gmail.com > Sent: Monday, August 30, 2021 11:58 AM

To: info@honoluludpp.org

Subject: Fwd: Regarding new city short term rental/b&b ordinance



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#### Aloha Director Uchida,

I am writing you with grave concern about the new short term rental/b&b city ordinance draft. Where the emphasis of this bill has been illustrated to the public as being a simple policy pivot for short term rentals there are many parts of the bill that will adversely effect my wife and I as long term owners and the primary residents of a condominium-hotel unit. We are hard working members of the community and cannot believe that our home is in jeopardy. How could it possibly be that we could no longer reside in our own home - the home we own. We never had any intension of renting our condo long or short term, and never imagined our unit would suddenly become part of the regular hotel pool for rental. This is ludicrous. The language of the current new section of the bill Sec. 21-5.360.1 states "units of a condominium-hotel must be part of the hotel's room inventory available for rent to the general public, and the use of a condomunium-hotel unit as a primary residence or usual place of abode is not allowed." This cannot be. How can this be legal? The language of this bill must change. This bill in it's current form is detrimental to many of your constituents.

As much as both my wife and I would love to be able to testify during the 10:30am meeting on Wednesday regarding this ordinance, we both will be working at our full-time jobs. Here is hoping my voice will be heard through your representation.

Mahalo,

Victor vicfly@gmail.com Wish you enough From: james.wright [mailto:james.wright@hawaiimoves.com]

Sent: Monday, August 30, 2021 9:52 AM

To: info@honoluludpp.org

Subject: 180-Day Restriction Short Term Rental



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Aloha,

I read with amazement the city may be considering extending the short term rental minimum to 180-days. This is an outrageous taking of property rights from home owners. There are numerous reason to have short term rentals in residential areas. Whether its family members visiting here, consumers desiring not to be in a hotel where potential illness spread is greatly increased, owners who visit 3 or 4 times a year and do short term rentals to fill in the vacant periods, etc.

The restrictions on vacation rentals came during our prior mayor's tenure where he was negotiating with the hospitality industry to increase taxes. The quid pro quo was to restrict the vacation rental business thus driving that money to the hotels, most of which are owned by offshore corporations. The Sherman Act prohibits this type of action where one group is punished economically to benefit another group (hospitality).

The proposed benefit to provide additional rental housing is misguided. The type of homes used as vacation rentals aren't generally in an affordable area. Most are at or near the ocean or have views of the ocean. These areas are more expensive thus having rents that exceed the medium wage earner on Oahu.

Please don't further restrict housing ownership on Oahu. We don't need to lose more residents to the mainland due to ongoing efforts further restrict housing use on Oahu.

Respectfully,

James W. Wright
Vice President/Broker/DR
CIPS, CRB, CNE, RENE, RSPS, SFR, SRES, TRC, GRN, CCIM Candidate
License #RB-16206



Coldwell Banker Commercial Realty 4211 Waialae Avenue, Suite 9000 Honolulu, Hawaii 96816 #RB-17128

james.wright@hawaiimoves.co www.jameswright.hawaiimoves.com

(808) 551-2100 Cellular WeChat: JamesWright376

Skype: james.wright.ge Member: NAR, HAR, HGR, AREAA, CoCH Past NAR Resort Committee Member

Past NAR CIPS Advisory Committee Member

Past Board of Directors – AREAA Aloha Chapter

From: Taylor Makakoa [mailto:taylormakakoa@yahoo.com]

Sent: Monday, August 30, 2021 9:46 AM

To: info@honoluludpp.org

Subject: DO NOT make STR illegal



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My primary concern is the obliteration of the middle class in the process of making the wealthy wealthier. I do not own or operate short-term rentals, but taking earned income potential away from the middle class is criminal. Are the hotel lobbyists contributing more money than the taxes earned from STR? And even if so, that is not how the system is intended to operate.

Taylor Koki

From: Carie Ann Shedd [mailto:caries@bhhshawaii.com]

Sent: Monday, August 30, 2021 1:06 PM

To: Takara, Gloria C

Cc: Mayor Rick Blangiardi

Subject: Opposition to draft bill for condo hotels/ rental time limits for 9/1 hearing

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To Brian Lee, Gloria Takara, Mayor Rick Blangiardi:

This letter is in regard to my opposition to the new STR draft bill. There are a few items in the bill that do make sense and I can agree with. Those two things are to enforce the current rules/ laws on the books which currently are not really being enforced and is part of the issue. I can also agree with keeping any new permits out of residential neighborhoods. Those are both common sense rules and I think most people will agree with them.

It is also my belief that the hotel owners who wrote that bill are using those commonsense issue to hide other laws within the bill that don't help anyone except to make the hotels more money and create a complete monopoly. Removing the income that thousands of residents rely on to survive. Many of these people are retired and have no other source of income and hurt them in ways you are not considering.

## The items in the bill that should be REMOVED are the following.

1. No rentals under 180 days. This will hurt both the landlord and renters. Landlords are able to charge 25-50% more on a one to three month bases for the convenience a furnished home provides for a few months. Most people that I know doing this are retired and rely on this to live. They lost so much in 2020 when the island shut down without being bailed out like the hotels were and now that government is trying to crush them again.

The renters it will hurt are people within our community such as traveling nurses and doctors, and military family's when they first arrive looking for permanent housing, extended families coming to the island for a few months while their grand baby is born, family coming to help elderly parents or move their kids over for college. Hundreds of thousands of people come here for several months of the year for the reasons mentioned and wont if they must stay in a hotel since the cost is too great and will only increase if this bill passes. There have been several times family has wanted to come visit me but all hotels were booked, that problem will only increase with this bill. It is also unfair to the thousands of people who purchased units to stay in for a few months here and there throughout the year and rent out the other months. Changing the rules without grandfathering in or without the state compensation should be illegal as it is definitely wrong.

The section on condo hotels where A. the unit owner can no longer live in their unit as owner occupant, B the owner can't manage the unit or pick their property manager and C the unit owner cant vacation in their unit unless they market rates and all taxes. These should all be removed from this bill. This section is clearly only written for the benefit of the hotels pocket book. If the bill is trying to provide more units for residents why would we take away long term units? I know people who bought units at places like the Ritz and Trump towers to live in full time and now you are going to evict them per this bill? How does it makes any sense that someone who paid hundreds of thousands to multi millions for a unit that they can no longer use or make any money off of? If the hotels become the only managers any and all profits will go to the hotels, not the individual investor who spent the money to purchase the unit. This entire section needs to be removed and is only a move from greedy hotel owners who are trying to acquire more units for themselves without any cost to them. It is wrong.

As I said in the beginning there are a few commonsense items that most everyone can agree on but the rest of it is going to make all investors run from the island for states that are more business friendly. Currently 50% of the island are renters and depend on investors to make those units available for them to rent, most of those people will never be able to afford to purchase their own home and if you chase away investors there will be even fewer units to rent than before. I have several clients that won't buy here anymore if this bill is passed the way it currently stands. This bill is reckless to the financial wellbeing for all homeowners, investors and property managers and will cause a ripple effect I don't think you have through.

Thank you, please confirm receipt of this email.

Best Wishes, Carie Shedd 808.375.4640 From: rostst@aol.com [mailto:rostst@aol.com]
Sent: Monday, August 30, 2021 12:52 PM

To: info@honoluludpp.org

Subject: Proposed regulations regarding short term rentals



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Most of my life has been spent in Hawaii. I first lived in Makaha and Waianae, then moved to Kaunakakai where I got married. After 6 years on the mainland taking care of parents my wife and I returned with our young children (pre kindergarten) and purchased our current home at 41-048 Hihimanu St. in Waimanalo in May of 1993. It is a two family property but we have never used it for a short term rental. Our children grew up in Waimanalo and our three grandchildren now live here too. We chose Waimanalo because we wanted a small town atmosphere for our family. If we had wanted to live in Waikiki we would have purchased there.

The current situation is outrageous and should not be tolerated. A property near us at 41-020 Hihimanu St. is owned by a New York company and used for short term rentals. My daughter reported them after discovering that their party bus was parked blocking the fire hydrant. A home at 41-051 Hinalea St. is listed on Tripadvisor as "Jason Hotel." This building was constructed within the last few years by a company that spoke only Chinese. It is my understanding that the owner is a Chinese national living in China who has installed his parents to run "Jason Hotel." The outbuildings appear to be individual short term rentals. I have personally had the experience of being told by people staying there that they have rented "for a week." "Jason Hotel" shares a backyard corner with my home. It needs to be permanently closed.

Some owners have tried to make the point that they need to engage in illegal activity such as short term rentals to pay their bills. My choice was to work 60+ hours every week until I retired. It would have been easier to engage in short term rentals or perhaps even start a meth lab but my decision was to pay my bills in a legal manner. No one short be "grandfathered" in. This would only justify further illegal activity.

At a recent meeting attended by several of my neighbors people were told by someone who believes that short term rentals appropriate that if they don't like it they can "move to Lana'i."

Please pass the strictest possible version of regulations.

Mahalo.

Robert S. Stanton

From: Lee Ohlson [mailto:lee.ohlson27@gmail.com]

Sent: Monday, August 30, 2021 12:11 PM

To: info@honoluludpp.org Subject: Transient Units



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## Aloha All,

I am a licensed Realtor and property manager in Waikiki. I personally manage 50 properties. My owners come once or twice a year to be here to visit friends and family. We rent the properties out to Travel medical personnel, contractors, IT computer personnel, people that are moving here for a job, that come here to work on an assignment.

We provide a service to these working people that need 30-90 day rentals. They are coming here and do not want to stay in a hotel for that length of time. Most of my units have full kitchens and the amenities of home for them. My owners pay their taxes. I have recently rented to some HPU students that only need housing till Dec. starting in August. If the 180 day minimum were in effect I would not be able to provide them housing. We provide a service to our guests. Changing the minimum stay to 180 days and eliminating the 30 day rental is going in the wrong direction. Waikiki has always been zoned resort and the owners have paid much higher taxes due to this. I agree that we need to stop the illegal rentals, however we need to offer a better option.

Kind Regards, Lee Ohlson, Property Manager

Lee Ohlson RS-77506 REALTOR Associate / Property Manager Direct Cell 808-341-6848 Rental Website: www.hnlrentals.com

Office 808-951-3200

RE/MAX Honolulu RB-20389

2250 Kalakaua Ave.#330 - Honolulu, HI 96815

480 Kamokila Blvd. #104 - Kapolei, HI 96709

400 Keawe St. #104 - Honolulu, HI 96813

\*\*Always Love Referrals - If you know anyone looking to rent their home or would like to sell, please pass my name and number along. Much Aloha!! ----Original Message----

From: Laura Isola [mailto:laisola2@yahoo.com]

Sent: Monday, August 30, 2021 12:44 PM

To: info@honoluludpp.org

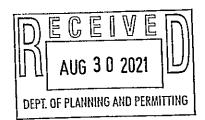
Subject: Please STOP the bill against Transient Accommodations!!!!

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Aloha,

I'm writing this testimony in strong opposition to all the DPP Bill propositions against Transient Accommodations at the Hawaiian Monarch in Waikiki.

Since 2003 I'm the owner of a 247sqft studio at the Hawaiian Monarch Condotel in Waikiki located in the Resort Mixed Use Precinct at 444, Niu Street, Honolulu 96815. My property taxes went already crazy high in the Hotel & Resort Category (\$3,000/year!). The 5 years commitment to the tax category is so wrong and unfair especially during the current Pandemic because due to Covid19 restrictions that were continuously prolonged my unit remained empty for many months! I'm a 57 yrs old single woman with a serious health issue and my livelihood depends on my transient accommodation small business that pre-pandemic was giving me a net income just barely enough to pay all high taxes TA (10.25%) + GE (4.5%) + Hotel&Resort Property Taxes (\$3,000/year) + high transient home insurance + all bookings commissions (15%) and all other expenses (cleaners, supplies etc) to successfully run my transient accommodation unit and finally barely having anything left to cover my own livelihood bills! I barely made it through the 2020 Pandemic lockdowns restrictions and consequently massive reservations cancellations with a lot of stress only thanks to 2 grants for my small business I received from the Honolulu City & County. And I have been looking forward to be able to reopen just finally recently since mid Aug 2021 my Transient Accommodation small business hoping and praying to return soon to pre-pandemic bookings income levels to provide for my livelihood while doing my best to serve the community. I am relieved to have received enough bookings to cover my expenses for Aug and Sep 2021 and I'm hoping for Oct and more since long term rental income is not nearly enough to cover my livelihood and high property taxes! Guests are good respectful people and enjoy our Hawaiian Monarch Condotel building that is precisely designed for transient accommodations and I enjoy welcoming them! Most if not all units at the Hawaiian Monarch operate as transient Accommodations because they are small (247sqft!) with only a small kitchenette if any and in the touristy Resort area! Plus cleaners enjoy their work earning too their livelihoods with it! Now the delta variant is already most recently damaging our sector Again but PLEASE PLEASE have mercy on us please STOP the madness of your proposed Bill against Transient Accommodations as I NEED to use my private property as Transient Accommodation as this is the use I originally bought it for as my lifetime plan pension and since my health issue for my current livelihood! My fundamental undeniable rights to use my private



property as intended and already successfully properly organized should not be taken away!! The fix taxes and fees I am obliged to pay are already through the roof and my small business hammered by the pandemic couldn't afford any extra fees! This awful Bill propositions would be more than overreaching they would be an extremely damaging and frankly unacceptable abuse on already suffering citizens with all that we have been going through since March 2020! I respect the Laws pay my high taxes to the Honolulu City & County but please the Laws must respect and protect me also as a private owner US citizen with bills and groceries to pay depending on my transient accommodation lawful small business!! The Resort zone, small size and amenities (no full kitchen!) of my studio unit at the Hawaiian Monarch are designed and perfect for transient accommodations and they are not suitable for proper long term rental!

Please vote NO to this Bill and help us instead getting back up on our feet still in the midst of a tragic pandemic!

Mahalo in advance for your prompt and kind heartstanding!

Laura Isola (808) 428-6027

Sent from my iPhone

From: westwahine1@yahoo.co.jp [mailto:westwahine1@yahoo.co.jp]

Sent: Monday, August 30, 2021 9:55 AM

To: info@honoluludpp.org

Subject: Spe 1 11:30 short-term rental meeting join



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Aloha Kakou.

Hope everyone doing well.

I hope I can share my opinions and experiences in this meeting.

(Visitors coming to Hawaii. Difference in purpose between hotel and vacation rental)

Thank you for your consideration. ARIGATOU GOZAIMASU

KUMIKO T ISHII 808-782-2173 From: Janell Jensen [mailto:janell.jensen@kw.com]

Sent: Monday, August 30, 2021 12:25 PM

To: info@honoluludpp.org

Subject: Opposed to 180 day rental



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Also when selling a home and buying a new one it's important to have shorter leases available. We are already struggling on this island to even be able to afford a home and many people do rent their home or a portion of it and may be more comfortable only with a under two week rental, to allow them to afford the high mortgage. I also think people should be allowed to do less than 30 day rental. I think there should be a possible limit on people that own more than 1 rental to allow 1-12 month rentals. Another problem is the raising rents in apartments like oasis town homes they raised my rent a thousand dollars when I was wanting a five month lease to allow my kids to finish the school year. There are situations where parents have to move out and be homeless till They can find something affordable for their families.--

## JANELL D.JENSEN

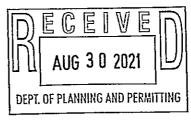
REALTOR-ASSOCIATE® RS-81067



WWW.ALOHA.KW.COM

CELL: 808.940.4569

JANELL.JENSEN@KW.COM



To whom it may concern,

Regarding the proposed Amendments to Chapter 21 (Land Use Ordinance), Revised Ordinances of Honolulu (ROH)1990, as Amended, Relating to Transient Accommodations, I hereby submit my comments and testimony in opposition.

I fully support enforcement actions against illegal Short-Term Rental operators. There is no need to change the definition from 30-days to 180-days, and I support every effort to properly enforce the 30-day minimum.

The draft Bill plans to ban the legal 30-day minimum vacation rentals in Apartment Precincts in Waikiki. I oppose this Bill for the following reasons:

- 1. There are people on Oahu who need rentals of less than 180-days. These uses include:
  - Families from out of State that are taking care of loved ones
  - · People moving to Oahu and looking to buy a home
  - Families who are waiting for their new home to complete construction
  - · Government contract workers
  - Traveling nurses
  - · Military PCS while looking for a home to buy
  - · Home Sellers who need to rent until they find a new property
  - · Film and TV crews while on a shoot

Those people don't need or want to stay at ocean front hotels paying expensive accommodation fees. There should be an option for them to stay at condos less than 180 days with affordable rates. This also benefits Hawaii's economy.

2. Some buildings in Apartment Precincts in Waikiki ban 30-day vacation rentals in their Building Bylaws, while there are some buildings that allow 30-day vacation rentals. If the purpose of this Bill is to protect neighbors, why not let Owners Associations decide by allowing their input? I do not believe the DPP should override those owners' rights and implement such a one-sided standardized rule ignoring each building's owners' opinion and right to decide.

While it is understandable banning illegal vacation rentals in more quiet "residential" neighborhoods such as Kailua or Hawaii Kai, it makes no sense for Waikiki. Waikiki is unique as a successful tourism destination, with many local businesses, restaurants, and shops, that depend on tourists. Healthy successful tourism needs a variety of accommodations that provide options to visitors. With this proposed Bill it is narrowing accommodations to only local residents with long term 180-day leases, who will not contribute to the special businesses aimed at tourism and income for business owners and the state of Hawaii.

It is obvious that this Bill is aimed to help the Hotel Industry in Waikiki. It does not benefit Oahu by providing healthy competition as it only promotes the vested interest of the Hotel industry and its revenue.

I also oppose this Bill for the following reasons:

1. Condo-Hotel properties MUST be operated by the Hotel: There are no illegal vacation rentals in condo- hotels. They are zoned as Hotel/Resort and many privately owned. I'm not a lawyer, but I think it may violate antitrust laws (In the United States, antitrust laws are a collection of federal and state government laws that regulate the conduct and organization of business corporations and are generally intended to promote competition and prevent monopolies). I cannot see any rationale in this move other than monopolizing the tourism market by protecting the hotel industry's interest and destroying legal property management companies.

Competition in this industry is vitally important to keep improving Hawaii's accommodation services and attracting visitors to Hawaii. Competition results in better service, better property management with increased tax income to the State that benefits all local residents.

2. At the City and County level, this bill will affect the market value of many properties. Affecting these values will affect tax revenues and their ultimate use.

There should be other ways to stop illegal vacation rentals or solve the issue of the shortage of housing for local residents.

Letting the Hotel Industry monopolize the Oahu's accommodation options will result in a ruined economy.

Name	Kenji Yamada	<u>-</u>
Date	8/31/2021	
Signature	His This	

1

From: Robert Smith [mailto:59surf@gmail.com]

Sent: Monday, August 30, 2021 1:09 PM

To: info@honoluludpp.org

Subject: Limit rent home to 6 months . OPPOSE THIS-ILLEGAL



CAUTION: Email received from an EXTERNAL sender. Please confirm the content is safe prior to opening attachments or links.

I WANT TO GO O RECORD OPPOSING THIS ILLEGAL BILL TO LIMIT RENT TO A 6 MONTH PERIOD.

1) YOU NEED TO REMOVE THE DOUBLE PROPERTY TAX ON HOMES OF 1 MILLION, AS NOW, ON OAHU, THE AVERAGE HOME IS 1 MILLION. YOU ARE CUTTING OF THE ONLY WAY RESIDENTS AND OWNERS HAVE A WAY TO PAY THIS DISCRIMINATORY DOUBLE TAX. YOU ARE PROPOSING CONFISCATING LEGISLATION WITH THIS 6 MONTH BILL.

CIVIL RIGHTS AND FEDERAL BILL OF RIGHTS IS VIOLATED BY THIS BILL.

2) ALL SURF CONTEST MUST BE LIMILED TO YOUR SAME CITY/CO ACTION, AS PERMITS ARE FROM THE SAME CITY/CO. SURF CONTESTS DO FAR MORE TO DISRUPT COMMUNITY PEACE, AS 10,00P OF THOUSANDS PEOPLE ATTEND WITH NO PARKING, SURF PROMOTER SELF HIRE POLICE (NO ENFORCEMENT OF LAWS), LOTS OF SAND DOON EROSION FROM CROWDS, SCHOOL ZONE VIOLATIONS WITH CARS PARKING ILLEGALLY AND BROADCASTING NOISE, ABOUT CITY / CO ORDINANCES.

YOU CAN HAVE ONLY 1 CONTEST FOR ALL NORTH SHORE DURING 6 MONTH PERIOD.

SURF CONTESTS ARE NOT ON LEGAL GROUND, "TO FORCE THE PUBLIC" OUT OF OCEAN, FOR A "PRIVATE" SURF CONTEST.

YOU CAN NOT HAVE A LAW THAT WORKS THE OPPOSITE WAY FOR CITY VS HOME OWNERS AND USA PUBLIC.

HOME OWNERS LIMITED TO 6 MONTHS AND THE CITY/ CO ISSUE THESE( 5 DAY-12 DAY) EVENTS EVERY 2-WEEKS ALL WINTER LONG(5 MONTHS-EVER - 2-WEEKS) 6 CONTESTS AT HALEIWA, PIPELINE AND SUNSET.

3) FEDERAL LAW PERMITS HOME OWNERS RIGHTS THAT YOUR FRECKLES BILL VIOLATES.

COUNT ON BEING SUED.

YOU ARE SENDING A SIGNAL AND BAD POLICY FOR ANYONE COMING TO HAWAII FOR MANY REASONS.

IF YOU TRULY WANT TO INCREASE MONEY, MAKE LAWS AND TAXES THAT INCOURAGE BUSINESS IN HAWAII. HAWAII WORST IN NATION FOR BUSINESS. INSTEAD OF LOOKING TO (\$700-\$1,000 A NIGHT) HOTELS, WHICH THE AVERAGE HOTEL IN HAWAII IS 25 YEARS OLD PLUS.

WITH THE CO V RUNNIG OUT OF CONTROL

1 )PUT IN FREE TESTING AT ALL AIRPORTS TO EVERYONE NOW. THIS IS NOT THE LAST VARIANT OF CO V COMING HAWAII

2) REMOVE YOU CRIPPLING TAX ON FOOD.

DO SOMETHING FOR HAWAIIAN RESIDENTS.

ALOHA ROBERT

From: Roger Cundall [mailto:rogercundall@gmail.com]

Sent: Monday, August 30, 2021 1:09 PM

To: info@honoluludpp.org

Subject: Short Term Vacation Rental Validity



CAUTION: Email received from an EXTERNAL sender. Please confirm the content is safe prior to opening attachments or links.

#### Dear Sir:

It is with dismay and contempt that I read about your hearing to discuss limiting Oahu vacation rentals to a minimum of 180 day terms.

The principle of our founding fathers was one of laissez faire, the support and freedom of the free market place.

The principle of laissez faire is freedom from government and big business intervention thru regulations and modification of existing laws.

What you are proposing is exactly what this principle is opposed to.

Leave government and special interests (hotels, & labor unions) OUT of the free market place.

Small business has the right of freedom and covert action on the part of a few people or groups.

The American founding fathers intended for the government to stay out of politics and regulation of business.

What you are proposing is nothing short of extortion and suppression of the small groups.

This type of meddling and thinking has no place in the free market society we enjoy. It only rewards a VERY SMALL group of interest, who are not only greedy, but selfish.

This proposal deserves to be placed where it belongs, in the TRASH CAN.

Small business owner

Roger Cundall

Mahalo,

Roger Cundall (808) 368-5892

P.O. Box 8539 Honolulu HI 96830

https://www.facebook.com/

From: burtws@aol.com [mailto:burtws@aol.com]

Sent: Monday, August 30, 2021 1:08 PM

To: info@honoluludpp.org

Subject: Proposed Vacation Rental Bill

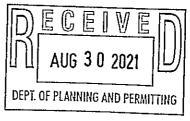


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I am in favor of legal short term vacation rentals on the North Shore.

Owner occupied and present, up to 2 rooms and 4 guests.

Burt Sutherland Pupukea To: Chair Brian Lee and
Members of the Planning Commission,
650 South King Street, 7<sup>th</sup> Floor,
Honolulu, Hawaii, 96813



August 30, 2021

## Aloha Chair Brian Lee and Members of Planning Commission

#### Re: TVU of Waikiki Resort Zone- (Analysis of DPP latest STR Bill 89)

My testimony concerns STR rules related to Condominium-hotel units like Waikiki Sunset. We will **not be addressing** any issue or concerns in connection with B&B home regulations.

The record shows that Waikiki Sunset owners, collectively, have made tremendous contribution to the Hawaii economy in terms of property taxes, GET, TAT, income tax and construction jobs, resulting in total investment and **expenditures** of **about \$76.4 Million** to the Hawaii economy.

However, Ordinance 19-18 has placed 178 (= 41%) Waikiki Sunset condominium unit owners in a precarious position by having to leave the Aston hotel rental program, resulting in a drastic decrease in unit rental income at a time when large capital expenditure (about \$40M) is desperately needed to refurbish this 40-years old building infrastructure (including DWV plumbing, Fire head sprinkler, A/C system and Hotel lobby renovation). The revised City ordinance, Sec 21-4110-1 "Nonconforming use certificate (NUC) for transient vacation units" is obstructing the Waikiki Sunset unit owners from achieving this objective.

The inequity and owner's discrimination are caused by about 50% of <u>NUC owners</u> receiving two and half times (2.5) the rental income compared to 50% of <u>non-NUC owners</u> in same building, same "underlying zoning requirements" and in same alleged "negative environmental impact".

Waikiki Sunset has operated as a condominium-hotel for the past 30 years (circa1989 to 2019) without creating any negative impact on public health, safety, morals or general welfare. The record shows Aston resort management has managed 373 units (86%) for past 30 years without encountering any negative environment assessment impact, or traffic congestion, noise concerns, illegal parking or DPP violation notices or neighbors' complaints in W.S.D. Furthermore, there has been no complaints filed by the Waikiki Neighborhood Board No 9 from the neighbors regarding Aston resort management of Waikiki Sunset condominium.

None of DPP and City's alleged "concerns" apply to the Waikiki Sunset condominium-hotel. If there is a negative environment assessment impact, it is <u>caused</u> by B&B home residences.

The significant loss of rental income from 178 (41%) of unit owners of the Waikiki Sunset condominium has already been measured and realized over past 2 years. The sale of units without NUC certificate is about \$204,000 less compared to NUC units; furthermore, the monthly rental income is \$2,000 per month vs \$4,500 per month for owners with NUCs. As we will show later, this results in a reduction of capitalization rate (cap rate) from 3.2% to 1.45% which translates into reduction of capital investment returns. The economic disparity between NUCs and non-NUC unit owners is not legally justifiable within same building?

Sec. 21-4.110-1 Nonconforming use certificates for transient vacation units (TVU) states: "The purpose of this section is to permit certain <u>transient vacation units</u> that have been in operation since prior to October 22, 1986, to continue to operate as nonconforming uses subject to obtaining a nonconforming use certificate (NUC) as provided by this section. The effective date of this ordinance was November 30, 1989".

Why is the NUC criteria limited to transient vacation units issued prior to December 1989? We would expect that if the "existing use" of Waikiki Sunset condotel presented any negative environment assessment impact, then DPP would have prohibited the existing 257 NUC units to operate as "hotel resort" under the Aston hotel rental program. However, if these 257 NUC owners were allowed to operate as "short term rentals" in the same building as the other 178 non-NUC unit owners, then the question of meeting the "underlying zoning requirement" is an irrelevant and immaterial. Conversely, if this Waikiki Sunset condotel did not meet the "underlying zoning requirement", then all 435-unit owners should be denied "short-term rentals" status. Current ordinance allows STR for 59% of owners but it does not allow STR for 41% of owners located in same building due to underlying zoning requirements. The logic evades me; either 100% of owners are allowed or nobody is allowed STR operation!

Attached Exhibit #1 compares two adjacent condo units (#1906 vs #2006) at Waikiki Sunset which are identical in every aspect; therefore, they should be generating the same economic benefits but in reality, there is a (54,000-20,400=) \$33,600 difference in rental income per year. This shows large financial inequity and owner discrimination within the same building. By paying arbitrary \$200 NUC fee, some Waikiki Sunset unit owners avoid paying higher hotel property tax rate (+1.39% x \$534,600) = +\$5,560 and receives higher rental income of \$54,000. While the majority 257 (59%) of unit owners earn renal income of about \$54,000 per year, the remaining 178 (41%) non-NUC unit owners earn only a disgraceful \$20,400 per year. Significance here is that paying \$200 NUC fees does not improve the any alleged negative environment assessment impact on the Waikiki neighborhood or the community at large.

Attached Exhibit #2 shows the unit assessed value using the "comparable sale approach" where the sold prices of the last 33 units- 9 units without NUC and 24 NUC units. The average sale price of the non-NUC units decreased by 33.4% while the sale price of the NUC units increased by +7.5%, resulting in total negative difference of (-40.9%). Using the City 2021 assessed value of \$499,600 will result in average capital loss of \$499,600 x 40.9%= \$204,336 or adjusted assessed value of \$295,000 for the average non-NUC unit owner at Waikiki Sunset.

Attached Exhibit #3 shows the unit assessed value using "income value approach" based on Capitalization rate (Cap Rate). The Cap rate indicates the rate of return (ROR) that is expected to be generated on real estate investment property. The Aston hotel management record shows that unit #1906 and unit #2006 were both in the Aston rental pool and earning almost identical annual rental income prior to Bill 89; therefore, it makes this "income value approach" comparison relatively simple. These 2 units are identical in every aspect, except for \$200 NUC fee. The calculation shows the Cap rate (ROR) decreased from 3.2% to 1.56% for first year 2019 (before covid19) which represent a decrease in assessed value from \$485,500 to \$261,427. However, the Cap rate decreased from 3.2% to 1.45% for the upcoming year (2021) which translates into a reduced assessed value from \$499,600 to \$227,000.

Attached Exhibit #4- shows Table 21-9.6(A) does not distinguish between "Apartments", "Condominiums" and "Hotels"; DPP director gives high priority to property classification of "highest and best use" rule. In our opinion, "Apt Precinct" zoning applies to Apartments but not to existing "condominiums"; Waikiki Sunset has met all applicable zoning requirements at the time the uses and structures were approved in October 1978, as per LUO Section 21-2.100. Owners have right to "Declaration Regarding Condominium Use", as per Form BFS-RP-P-71 which is not currently made available to all unit owners; and Condominium units should be classified according to ROH Sec. 8-7.1 (c)(3) Evaluation. LUO ordinance highlights the fact that Zoning requirements of the Waikiki special district should not function as barrier to restoration. As mentioned earlier, Waikiki Sunset owners are spending about \$40 Millions in restorations.

Question: Is there any legal protection from this alleged property owner's discrimination?

We believe that Ordinance 19-18 ignores the <u>right of property ownership</u> and <u>owner's vested</u> <u>rights</u>, that we have been acquired over the past 23+ years (1996-2019) of operating our unit as short-term rentals (STR) under the "approved" Aston hotel rental program.

1. On June 21, 2019, U.S. Supreme Court issued a landmark ruling changing the way property rights lawsuits have been handled for the last thirty years. In Knick v. Township of Scott, "The Court allowed property owners who sue to enforce their federal right to compensation because a municipal government has taken their property in violation of the U.S. Constitution's Fifth Amendment by overregulating its use, to bring the lawsuit in federal court. The Court recognized that property rights claim as just as important as other civil and constitutional rights enshrined in the Bill of Rights, and are not "poor relations". The (court) majority opinion was a strong recognition of the importance of property rights and of limiting the regulatory zeal of municipal officials who often regulate with such a heavy hand that owners cannot make reasonable economic use of their own property".

Based on the above U.S. Supreme Court ruling, we would argue that DPP regulations regarding our NUC requirement for our Condominium unit is unreasonable because it prevents us from making maximum use of our property in Waikiki, after it has been proven that by denying our application for NUC permit, the assessed property value has decreased by about 40% along with reduced rental income, and after it has been proven empirically that there is absolutely no negative environmental impact on the Waikiki neighborhood. Consequently, the federal courts would most likely award financial compensation to those condominium unit owners who have suffered financial damages as a result of the alleged violation of ownership property rights by overzealous municipal officials. In this case, the financial loss is estimated at \$204,000 x178=\$36.3 Million plus rental revenue reduction of about \$33,600x 178 units=\$6.0 M per year.

2. Case law rulings in our favor would be that Waikiki Sunset condominium owners have a constitutional- vested right to continue to operate their condo unit as a "residential" or "short term rentals" or a combination as long as it was reported and taxed accordingly. "Under the United States and Hawaii Constitutions, pre-existing lawful uses of property are generally considered to be vested rights that zoning ordinances may not abrogate", as per Robert D. Ferris Tr. v. Panning Comm'n of City of Kauai, 138 Haw. 307, 312, 378 P.3d 1023, 1028 (Ct. App. 2106).

- 3. According to Hawaii Law, condo owners can also file for "inverse condemnation action". We could reasonably argue that there is no valid justification for allowing all four (4) units surrounding our unit to have a NUC license, while denying a NUC to our condo unit. In fact, two units above/below (2106 and 2906) and two units left /right (2004 and 2008) have NUC certificates except the middle unit (our unit #2006). This situation appears to meet the four elements in an inverse condemnation case that the owner must prove that: (1) a person with an ownership interest in the property damaged, (2) participation by the City in a public enactment of regulation, (3) taking or substantial damage to property, and (4) the property damage was proximately caused by the public project or City regulations, as per Paterno v. State of California, 113Cal. App. 4th 998. 1029 (2003).
- 4. According to Hawaii Easement Law, "prescriptive easement" gives one party the right to use the property of another party for a specific purpose like "short-term rentals". The requirements to prove a prescriptive easement are the same for proving adverse possession. A claimant must prove that his use of the property over which the easement is claimed has been adverse, continuous, and uninterrupted for the statutory prescriptive period of 20 years, as per HRS §669-1(b) (2013) and §657-31.5. Adverse possession requirements are met when the occupation has been: actual, hostile, open & notorious, exclusive and continuous for minimum of 20 years, as per Gold Coast Neighborhood Association v. State of Hawaii, Supreme Court, SCWC-14-0000472, 25 Aug. 2017.

We allege that we met the adverse possession requirements because we have held our Waikiki Sunset condo unit #2006 for more than 23 years (ie., from 1996 to 2007) by Mr. Shigeo Minamoto and by Mr. and Ms. Panizzon (from 2007 to 2019) by considering the allowable "tacking" of possessions. Tacking is defined as one possessor can tack his period of possession to the next possessor if the transfer between the two is voluntary, as it was in this case. Please note that Mr. Minamoto purchased five (5) NUC units in 1988, with NUCs until 1996.

5. Pursuant to LUO Sec. 21-2.100 "Existing uses" (a), (b), para. #1 to para. #7, we like to petition the DPP director to have "existing use permit" granted to us while it was operating as "condotel" unit from 1989 to 2019 (last 30 years) under Aston resort management. Section 21-2.100 (b) (2) reads: "Existing uses and structures shall meet the applicable zoning requirements at the time the uses and structures were approved. They need not meet the current underlying district regulations, nor the minimum development standards of this chapter".

Alternatively, we request approval of **Declaration regarding condominium use**, Form BFS-RP-P-71 which allows changing property classification in compliance with **Valuation- Sec. 8-7.1** (c) (3).

Respectfully,

Guido Panizzon, P.E. M.Eng, BSEE, IEEE.

Association members and Owner(s) of Waikiki Sunset Condominium.

## Attachments:

Exhibit #1, Exhibit #2, Exhibit #3 and Exhibit #4.

#### Exhibit #1:

## Comparison of LUO zone and STR units of NUC vs Non-NUC units

We compared the economic benefits and LUO parameters of two adjacent condo units at Waikiki Sunset Condominium-hotel to find justification for different **economic benefits**.

Parameters:		1906 NUC	1906 NUC 2006 non-NUC	
a) L	a) LUO zone designation		Apt Precinct	
b) P	그 하는 그런 그런 하는 마음이 되었다. 학생들이 사고 있는 것이 되었다는 생각이 없는 사람들은 사람들이 없다.		same	
c) E	c) Environmental assessment impactsame		same	
d) V	1000		1979	
e) F	e) Floor height of unit19 <sup>th</sup>		$20^{th}$	
	[10] [10] [10] [10] [10] [10] [10] [10]		610	
g) F	E 1111.1		same	
h) U	h) Use of common elements same		same	
i) F	i) Parking and 6th Recreation decksame		same	
j) (	The same of the sa		same.	
k) 2			\$1,877	
<ol> <li>2020 Real property assessment\$534,600</li> </ol>		\$536,500		
m) 2020 AOAO maintenance fees\$782		\$782		
n) A	n) Annual NUC fee (1986-1996)\$100		\$100	
0) 4	Annual NUC fees (1997-2019)	\$200	Zero	(Not same)
	Monthly rental income (2018)		\$1,750	(2.6 times)
	Annual rental income (2018)		\$20,400	(2.6 times)

#### Conclusion:

The inequity and owner's discrimination are caused by about 59% of <u>NUC owners</u> receiving two and half times (2.6) the rental income compared to 41% of <u>non-NUC owners</u> located in the same Waikiki Sunset condominium building. Consequently, this is the reason that any <u>reasonable person</u> would argue that this NUC ordinance is unjust, inequitable, capricious, unreasonable and discriminatory to condo owners.

City's Ordinance 19-18 allows STR for 59% of owners but it does not allow STR for the other 41% of owners **located in same building** due to underlying zoning requirements.

The logic evades me; either 100% of owners are allowed or nobody is allowed STRs.

To put all this together, one can reasonably argue that this <u>NUC ordinance is outdated</u> since it permits <u>some arbitrary number of unit owners</u> (257 or 59%) in Waikiki Sunset condominium-hotel to operate their unit as a hotel (short-term rentals), in "underlying zoning district" designed for "Apartment precinct", <u>without</u> any negative environmental impact assessment or traffic congestion, noise concerns, illegal parking or DPP violation notices or neighbors' complaints in Waikiki Special District (WSD).

None of these alleged "concerns" apply to the Waikiki Sunset condominium-hotel.

#### Exhibit #2

# Waikiki Sunset Condo Units Sold- Price Comparison -Property Assessment (2020-2021)

Address: Waikiki Sunset Unit #2006- 229 Pacakalani Avenue, Honolulu, HI 96815 Guido Panizzon, P.E. Comparable properties analysis of last 9 Units sold prior to July 31, 2021.

Updated: August 10, 2021

	Unit#	Date	NUC Unit- Yes/ No	Assessed Value- 2020	Sold Price- 2020-2021	Changed Value- Sold- Assess (\$)	Changed Value- Sold- Assess (\$)	1
	Note #1		Note #1					
1	1704	10/3/2019	No	535 300	489,000	-46,300	-9.5%	
2	1005	1/17/2020	No	512,200	171,000	-341,200	-199 5%	
3	2812	2/25/2020	No	583,400	490,000	-93,400	-19 1%	
4	2910	2/28/2020	No	562,300	505,000	-57 300	-11.3%	
5	809	4/29/2020	No	515,400	480,000	-35,400	-7.4%	
6	2303	8/25/2020	No	541,700	375,000	-166,700	-44.5%	
7	2712	12/31/2020	No	544,500	420,000	-124,500	-29.6%	
8	1605	4/5/2021	No	528,500	300,000	-228,500	-76.2%	< <note #1<="" td=""></note>
9	2811	7/31/2021	No	506,300	390,000	-116,300	-29.8%	Average Price
	A	Average value	=	536,622	402,222	-134,400	-33.4%	< Decreased

			<b>NUC Unit-</b>	Assessed Value-	Sold Price-	Changed Value- Sold-	Changed Value-	
	Unit#	Date	Yes/ No	2020-2021	2020-2021	Assess (\$)	Sold- Assess (\$)	
		Note #2	Note #3	1			Note#4	
1	3105	6/24/2021	yes	509,000	520,000	11,000	2.1%	
2	2402	4/30/2021	yes	541,600	514,370	-27,230	-5.3%	
3	3013	4/15/2021	yes	591,400	765,000	173,600	22.7%	
4	1207	4/5/2021	yes	536,300	425,000	-111,300	-26.2%	
5	2209	3/31/2021	yes	539,800	450,000	-89,800	-20.0%	
6	1805	3/29/2021	yes	531,000	390,000	-141,000	-36.2%	
7	3308	3/19/2021	yes	584,900	620,000	35,100	5,7%	
8	910	2/8/2021	yes	513,300	380,000	-133,300	-35.1%	
9	3206	1/4/2021	Yes	592,800	560,000	-32,800	-5.9%	
		Subtotal Aven	age=	548,900	513,819	-35,081	-10.9%	
10	2903	2/13/2020	yes	560,500	567,000	6,500	1.1%	
11	1013	4/22/2020	yes	551,500	728,000	176.500	24.2%	
12	904	11/20/2020	yes	550,000	500,000	-50,000	-10.0%	
13	3205	12/19/2019	yes	568,500	567,000	-1,500	-0.3%	
14	1202	11/13/2019	yes	520,100	515,000	-5.100	-1 0%	
15	1612	11/13/2019	yes	519,300	580,000	60,700	10.5%	
15	1114	11/13/2019	yes	549,000	725,000	176,000	24.3%	
17	1906	11/4/2019	yes	534,300	570,000	35,700	6.3%	
18	1511	9/30/2019	yes	522,900	545,000	22.100	4.1%	
19	1812	9/17/2019	yes	524 600	595,000	70,400	11 8%	
20	2505	9/16/2019	yes	549.700	540,000	-9,700	-1 8%	
21	2212	8/9/2019	yes	535,000	615,000	80,000	13 0%	
22	1508	8/6/2019	yes	516,700	569,000	52,300	9.2%	
23	2014	7/31/2019	yes	587,000	740,000	153,000	20.7%	
24	2307	7/12/2019	yes	544,400	550,000	5,600	1.0%	Average price ha
-		Average val	110=	542,233	593,733	51,500	7.5%	< Increased

2 Walkiki Suppet units are identical in every aspect (area, finishing) except for NUC Certificate.

Appea I	Unit#	Date	NUC Unit- Yes/ No	Assess Value- 2020	Sold Price- 2020	Assessed Value- 2021	Correction Factors: 2021 Assessment	2021 Adjusted Assessment
Г	1906	na	yes	534,300	na	498,700	0	498,700
1	2006	na	No	536.500	na	499.600	Less	499,600

Key adjustment factors needed to make them comparable for assessment:

2006	na	No	536,500	na	499,600	-266,287	295,264
Total value	discount us	ing year 20	021 assessment	of Unit #1	906 as Reference =	204,336	-204,336
1. ADDIV DISCO	204,336						
 1. Apply disco		The second second	the state of the s				

#### Exhibit #3:

# Income Approach to Value-Property Assessment (2021) Calculation of "Capitalization Rate" and Net Operating Income (NOI).

10 August, 2021 Guido Panizzon, M.Eng

Address: Waikiki Sunset Condominiun-hotel Unit #20xx- 229 Paoakalani Avenue, Honolulu, HI 96815

Ordinance 19-18 is unfair because both NUC units and non-NUC units are classified as "Residential" and pay same property tax rate (0.35%); but NUC units are allowed to operate as "Hotel & Resort"; therefore generate more than twice (2.4 times) the "effective Gross income".

Note #1: Cap Rate indicates the rate of return (ROR) that is expected to be generated on real estate investment property.

		Note 2	Notes 3 + 9		Note 4	
Description; Unit #20xx is non-NUC Condo Unit	Comments	Year - 2018	Year - 2019	Year - 2020	Year - 2021	Compare
		Aston rental	Aston rental	Property rental	Property rental	2016 /2021
Gross Income- 12 months	Annual amount-	54,360	54,360	20,400	25,200	2.2
Monthly income- actual or estimated	Monthly amount	4,530/mo	4,530/mo	1.700/mo	2,100/mo	
Less Vacancy and Collection loss-		0	13,807	2,040	2,520	
Annual Vacancy rate (%)		0.0%	25.4%	10.0%	10.0%	
All And Andrews						Note #7:
Effective gross income- (Form 1042-S)		54,360	40,553	18,360	22,680	2.4
Expenses						
Property management fee (10%-40%)	Varies by agency	20,254	15,233	2,040	2,520	
Real Property assessment tax (0.35%)		1,782	1,879	1,877	1,877	
Condo HO-6 Policy Insurance	Set by Insurance	300	304	310	310	
Maintenance and Repair fees		960	640	0	0	
AOAO maintenance & utilities fees	Set by Board	8,489	8,852	9,392	9,575	
GET (4.71%) and TAT (10.25%) taxes	Set by City>	7,035	5,277	918	1,134	v.
Total expenses		38,820	32,185	14,537	15,416	
Net Operating Income (NOI) >	Baseline >	15,540	8,368	3,823	7,264	2.1
				200 500	100 000	I
Real Property Assessment- Record>	Given by City >	485,500	536,900	536,500	499,600	1
Observation on City Property Assessment >		Observation>	Too high!	Too high!	Too high!	
Capitalization rate= NOI/Assess Value=	15,540/485,500	3.20%	1.56%	0.71%	1.45%	]
Assume 2018 Year as Baseline for Cap rates			Note #6	Note #5;6	Note #5;6	
Adjusted Real Property Assessment =	15 540/3.2%	485,500	261,427	119,430	226,935	2.1
riajostos ricar roperty riscossinent		Confirmed ^		Reduced *	Reduced ^-	

#### Footnotes and Observations:

- 1. Capitalization rate (aka Cap Rate) indicates the rate of return (ROR) that is expected to be generated on real estate investment property
- 2. Cap rate uses Year 2018 as Baseline (Aston) for Gross income and NOI since it is last year before Ordinance 19-18 came into effect
- 3. Cap rate for Year 2019 and Net Operationg Income (NOI) are lower due to Ordinance 19-18 -before advant of Covid19 pandemic.
- 4. Cap rates for Year 2020 and 2021 are lower than Baseline because of Ordinance 19-18- prohibit short term rentals (less than 30 days).
- 5. Lower Cap rate (0.71% and 1.45%) for years 2020 and 2021 has resulted in considerably lower Real property assessments.
- 6. Using 2018 as Baseline, Adjusted real property assessments is \$261 K; \$119 K; and \$227K for years 2029, 2020 and 2021 respectively.
- 7. Comparing Effective gross income for two years. 2018 is 2.4 times larger than year 2021 using optimistic rental for next year.
- 8 Hawaii Realtor have found that Waikiki Sunset NUC units gets their "higher assessed value" due to their higher rental potential.

Significant: The Cap rate (ROR) decreased from 3.2% to 1.56% for first year 2019 (before covid19) which represent a decrease in assessed value from \$485,500 to \$261,427. However, the Cap rate decreased from 3.2% to 1.45% for the current year (2021) which translates into reduced assessed value from \$499,600 to \$227,000.

#### Exhibit #4:

## Table 21-9.6(A) Waikiki Special District Precinct-Amendments

20 August, 2021

Guido Panizzon

Section 22, Table 21-9.6(A). Revised Ordinaces of Honolulu 1990, as amended, is amended by amending the entries for B&B, hotel and TVU as follows: (See pages #34 of "A Bill for an Ordinance".

Ordinance 19-18 is incomplete because it does not contain all classes of Structures/ Buildings in this WSD precinct.

Observation: The Table below shows the Precinct and Use which are missing in "pink" color.

# Amended Table 21-9.6(A) - Waikiki Special District Precinct Pemritted Uses and Structures.

	Use or Structure	Precinct							
		Apartment	Condominium	Condominium- hotel	Resort Mixed Use	Public			
1	Bed and Breakfast homes (B&B)	[Pc]	[Pc]	[Pc]	[Pc]				
2	Hotel	P/e	[Pc]	Р	P/c				
3	Transient Vacation Units (TVR)	-	Р	Р	P/c				
4	Principal Residence	P	Р	Р	PRU=				
5	Second home residence	P	P	Р	PRU=				

Re: Table 21-3 Master Use Table: >

Key:

Ac= Special accessory use subject to standards in Article 5

Cm= Conditional Use Permit-minor subject to standards in Article 5, no public

hearing required (see Article 2 for exceptions).

C= Conditional Use Permit-major subject to standards in Article 5,

no public hearing required.

P= Permitted use

P/c= Permitted use subject to standards in Article 5.

PRU= Plan Review Use by Director

# Underlying Zoning requirement as defined under Land Use Ordinance (LUO).

- Table 21-9.6(A) does not distinguish between "Apartments", "Condominiums" and hotels.
- DPP director gives high priority to property classification of "highest and best use" rule.
- Waikiki Sunset has met all applicable zoning requirements at the time the uses and structures were approved in October 1978, as per LUO Section 21-2.100.
- Owners have right to "Declaration Regarding Condominium Use", Form BFS-RP-P-71
  which is not currently being implemented or made available to all condo unit owners.
- Ordinance 17-13 enacted in 2017 took away the actual use "loophole" of condo units.
- Condominium unit should be classified according to ROH Sec. 8-7.1 (c)(3) Evaluation
- Zoning requirements of the special district should not function as barrier to restoration.

From: Dave & Sheryl Hutsell [mailto:dshutsell@gmail.com]

Sent: Monday, August 30, 2021 4:56 PM

To: info@honoluludpp.org Subject: STR DRAFT BILL



CAUTION: Email received from an EXTERNAL sender. Please confirm the content is safe prior to opening attachments or links.

To whom it may concern:

We are the owners of a unit at the Waikiki Shore building, 2161 Kalia Road, Honolulu.

The proposed changes to the Short Term rental length from 30 to 180 would be devastating. We totally understand the need to enforce actions against illegal short term operators. It makes it difficult for everyone when owners operate illegally.

By changing the rental length to 180 days, there are so many instances for rental income that would be eliminated.

For example:

People needing a place to stay while looking for a home to purchase.

Traveling medical personnel.

Out of state family members needing a place to stay due to island family members with illness, etc.

Individuals searching for a new job or transferring with a current job and needing a place to stay.

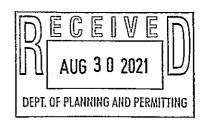
It appears that any of the proposed changes will limit our rental income and reduce our ability to pay the property taxes.

We have had a relationship with our current property manager for over 30 years. We rented from them prior to purchasing our unit 15 years ago. They are excellent property managers and it isn't fair to expect owners to have to change. We have returning quests to our unit year after year.

If these changes become law, the resale value of our property will most certainly be affected.

We urge you strongly to please not pass the bill.

Sincerely Dave & Sheryl Hutsell Waikiki Shore # 1412 2161 Kalia Road Honolulu, HI



To whom it may concern,

Regarding the proposed Amendments to Chapter 21 (Land Use Ordinance), Revised Ordinances of Honolulu (ROH)1990, as Amended, Relating to Transient Accommodations, I hereby submit my comments and testimony in opposition.

I fully support enforcement actions against illegal Short-Term Rental operators. There is no need to change the definition from 30-days to 180-days, and I support every effort to properly enforce the 30-day minimum.

The draft Bill plans to ban the legal 30-day minimum vacation rentals in Apartment Precincts in Walkiki. I oppose this Bill for the following reasons:

- 1. There are people on Oahu who need rentals of less than 180-days. These uses include:
  - · Families from out of State that are taking care of loved ones
  - · People moving to Oahu and looking to buy a home
  - Families who are waiting for their new home to complete construction
  - Government contract workers
  - Traveling nurses
  - Military PCS while looking for a home to buy
  - · Home Sellers who need to rent until they find a new property
  - · Film and TV crews while on a shoot

Those people don't need or want to stay at ocean front hotels paying expensive accommodation fees. There should be an option for them to stay at condos less than 180 days with affordable rates. This also benefits Hawail's economy.

2. Some buildings in Apartment Precincts in Waikiki ban 30-day vacation rentals in their Building Bylaws, while there are some buildings that allow 30-day vacation rentals. If the purpose of this Bill is to protect neighbors, why not let Owners Associations decide by allowing their input? I do not believe the DPP should override those owners' rights and implement such a one-sided standardized rule ignoring each building's owners' opinion and right to decide.

While it is understandable banning illegal vacation rentals in more quiet "residential" neighborhoods such as Kailua or Hawaii Kai, it makes no sense for Walkiki. Walkiki is unique as a successful tourism destination, with many local businesses, restaurants, and shops, that depend on tourists. Healthy successful tourism needs a variety of accommodations that provide options to visitors. With this proposed Bill it is narrowing accommodations to only local residents with long term 180-day leases, who will not contribute to the special businesses aimed at tourism and income for business owners and the state of Hawaii.

It is obvious that this Bill is aimed to help the Hotel Industry in Walkiki. It does not benefit Oahu by providing healthy competition as it only promotes the vested interest of the Hotel industry and its revenue.

I also oppose this Bill for the following reasons:

1. Condo-Hotel properties MUST be operated by the Hotel: There are no illegal vacation rentals in condo- hotels. They are zoned as Hotel/Resort and many privately owned. I'm not a lawyer, but I think it may violate antitrust laws (In the United States, antitrust laws are a collection of federal and state government laws that regulate the conduct and organization of business corporations and are generally intended to promote competition and prevent monopolies). I cannot see any rationale in this move other than monopolizing the tourism market by protecting the hotel industry's interest and destroying legal property management companies.

Competition in this industry is vitally important to keep improving Hawaii's accommodation services and attracting visitors to Hawaii. Competition results in better service, better property management with increased tax income to the State that benefits all local residents.

At the City and County level, this bill will affect the market value of many properties. Affecting these values will affect tax revenues and their ultimate use.

There should be other ways to stop illegal vacation rentals or solve the issue of the shortage of housing for local residents.

Letting the Hotel Industry monopolize the Oahu's accommodation options will result in a ruined economy.

Name	Hee Ra Yoo	<del></del>
<u>Date</u>	8/30/21	
Signature	HeeRaYOO	

From: kevin taylor [mailto:kdthawaii@gmail.com]

Sent: Monday, August 30, 2021 4:37 PM

To: info@honoluludpp.org

Subject: Only one tiny part of the proposed changes to bill 89 is being discussed

CAUTION: Email received from an EXTERNAL sender. Please confirm the content is safe prior to opening attachments or links.

To the people who think the current bill will help the tight residential rental market:

Please read Sec.21-5.360 Hotels and Hotels Units.

Does this have ANYTHING to do with "approx. 40,000 vacant homes in residential neighborhoods"? No, it does not.

What does it do?

If you own a unit in the Ilikai (1777 Ala Moana Blvd), Waikiki Banyan (201 Ohua Ave.) or Waikiki Sunset (229 Paoakalani Ave), for example:

- 1. You can no longer rent your unit long term (6 months or longer).
- 2. You can no longer rent out your unit (yourself) as a legal short term rental.
- 3. You can no longer hire a company like mine to manage your unit for you.

What CAN you do with the unit you own?

A. Give it to the Aqua-Aston front desk. They will put it in their hotel pool. They will pay you less than owners make through my company.

How does that do anything about short term rentals in residential neighborhoods? It doesn't.

It does help multinational Hotels. And unions.

Please contact your City Council Representative immediately, and demand they vote no on this bill.

Aloha,

Kevin D. Taylor President Realtor RB-21021 Alohana Realty LLC 1888 Kalakaua Suite C312 Honolulu, HI 96815 808-391-9771

kdthawaii@gmail.com

AlohanaProperties.com - long term rentals AlohanaProperties.com - long term rentals AlohanaRealty.com - sales



From: Mike Jackson <mikejacksonatlarge@gmail.com>

Sent: Monday, August 30, 2021 4:08 PM

To: info@honoluludpp.org

Subject: Comments for the 9/1/21 DPP Hearing on Short -Term Rentals



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1. Requiring STRs to rent not less than 180 days is grossly unfair, and would definitely have a harmful impact on Oahu's economy

STRs provide accommodations to tourists, visiting workers, government and military contractors, traveling medical staff, relocated military families, local residents needing temporary housing, family members from neighbor islands and the mainland who are here to provide care to other family members, etc. Many of these travelers would be here for several days up to several weeks, but few would be here for a minimum of 6 months.

2. Taxing TVUs the same as hotels is extremely unfair and inequitable. TVUs are much more restricted than hotels already, and the new rules make it much worse for TVUs, and gives an even greater non-competitive advantage to hotels. Hotels have access to many more in-house revenue sources, such as restaurants, bars, gift shops, etc. Other services such as transportation, varied nearby retailers, reservation/ticket locations for Oahu attractions, etc. are accessible. Hotels and TVUs are not the same. The biggest advocates for this restriction are the hotels and those who want to close all TVUs/BnBs period.

Isn't it also true that during the 2020 pandemic, hotels were allowed to continue operating while TVUs and BnBs were shut down from April-October.

TVUs operating outside the resort areas provide much wanted accommodations for tourists, and other travelers--an alternative to hotels that many travelers want.

Visitor money, spent in non-resort areas, benefits small businesses, and stays in the neighborhoods via restaurants, grocery stores, souvenir/gift shops, convenience stores, gas stations, equipment rentals, etc. These same TVUs also provide jobs for managers, supervisors, cleaners, maintenance workers, security, and repairmen. There are several Oahu areas, including the Leeward Coast communities, that need these jobs and other economic opportunities.

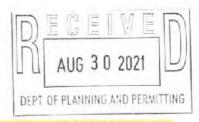
Please do not create even more restrictions that are designed to shut down TVUs, BnBs, and that would eliminate jobs, and needed revenue sources.

Mike Jackson

From: Michele Pichay [mailto:michelehawaiirealtor@gmail.com]

Sent: Monday, August 30, 2021 4:03 PM

To: info@honoluludpp.org Subject: Short Term Rentals



CAUTION: Email received from an EXTERNAL sender. Please confirm the content is safe prior to opening attachments or links.

- 1. We fully support enforcement actions against illegal Short-Term Rental operators. There is no need to change the definition from 30 days to 180 days. We just need to properly enforce the 30 day rule.
- 2. As licensed real estate professionals, we frequently encounter people on Oahu who need rentals of less than 180 days. These uses include:
  - Families from out of State that are taking care of loved ones
  - People moving to Oahu and looking to buy a home
  - Families who are waiting for their new home to complete construction
  - Government contract workers
  - Traveling nurses
  - Military PCS while looking for a home to buy
  - · Home Sellers who need to rent until they find a new property
  - . Film and TV crews while on a shoot
- 3. It is overly broad to include all rentals 30 days or greater as Short-Term Rentals and will harm many local property owners as well as the Tenants that stay in their homes.

If possible use a personal story about a family member or client that used a 30 day rental for one of the purposes above.

Thank you for your concern and interest.

Please contact me if you have any questions.

Mahalo,

Michele Pichay, RB GRI, e-Pro,CAPS,MRP,SRES 808 Island Realty, LLC Principal Broker RB-20668 2586 Kekuanoni St #A, Honolulu, HI 96813 808 221-9715 From: Remba, Lisa J [mailto:lisa.remba@cbpacific.com]

Sent: Monday, August 30, 2021 3:43 PM

To: info@honoluludpp.org

Subject: Short Term Rental Testimony



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To Whom it May Concern,

I fully support enforcement actions against illegal Short-Term Rental operators. However, there is no need to change the definition from 30 days to 180 days. We just need to properly enforce the 30 day rule.

As a licensed real estate professional, I frequently encounter people on Oahu who need rentals of less than 180 days. These uses include:

- I'm very concerned that this will have very negative ramifications for our vulnerable low income minority communities. They could be subject to massive break lease fees of TAT tax that will only hurt them more.
- · Women who are fleeing domestic violence
- Our LGBTQ community who could face being kicked out of their homes for just being who they are and needing short term housing options.
- · Emergency housing in cases of flooding/fire/hurricane
- · Families from out of State that are taking care of loved ones.
- · College kids looking for short term housing.
- · People moving to Oahu and looking to buy a home
- · Families who are waiting for their new home to complete construction
- Government contract workers
- Traveling nurses
- Military PCS while looking for a home to buy
- · Home Sellers who need to rent until they find a new property
- · Film and TV crews

I strongly oppose including all rentals 30 days or greater as Short-Term Rentals and doing so will harm many local property owners as well as the Tenants that stay in their homes.

Thank you for your time,

Lisa Remba

Lisa Chang-Remba (RA) RS-67828 Coldwell Banker Realty Cell: (808) 388-2323

Sent from my iPhone

From: Kaili Hopkins [mailto:kaili.aliibr@gmail.com]

Sent: Monday, August 30, 2021 3:34 PM

To: info@honoluludpp.org Cc: Ali'i Beach Rentals Subject: Testimony



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Aloha,

Ka'ili Hopkins, Operations Manager, Ali'i Beach Rentals. I've earned this title with hard work over the last 8 years. This could not have been done without the support of co-workers, our Principal Broker/Owner, and our owners of the properties we manage.

As the company has grown, so have I, thanks to Ali'i Beach Rentals. I am a husband, and a lucky father of 3 beautiful daughters. I am able to provide a blessed life for my 'ohana. But if this bill were to pass, I'm not sure we would survive. We barely made it through the pandemic last year.

Ali'i Beach Rentals is a licensed LEGAL Short Term Rental company here on Oahu. We manage about 150 properties mainly in the Waikiki area. Owners seek us out because we are good at what we do. We do things the right way, with the "Aloha Spirit." This bill is not that, its pilau, and it has corporate fingerprints all over it.

We comply with every law as a legal short term rental company, we have bent over the years to adhere to Bill '89, and came out stronger. However, this new bill could break us. It's not right. We are a local company. We employ locals. Please allow us to keep our livelihood and be able to provide for our 'ohanas.

There will always be a place for hotels, and there will always be a place for legal short term management companies.

Mahalo & Aloha

Ka'ili Hopkins(RA) RS-76436 Ali'i Beach Rentals Operations Manager From: ABR Accounting [mailto:accounting@aliibeachrentals.com]

Sent: Monday, August 30, 2021 3:27 PM

To: info@honoluludpp.org

Subject: RE: DPP STR Draft Bill - Unconstitutional



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Aloha Brian Lee and Chair Members of the Planning Commission,

I urge the County to reject this proposed amendments to Chapter 21 (LUO) relating to Transient

Accommodations.

As a born and raised resident and employee of a family operated vacation rental property management business in Waikiki on the island of O'ahu, I see the multiple and intertwined economic and social benefits of maintaining locally and individually owned short term rentals. The proposed ordinance would not change the number of travelers to the island, as suggested in the background of the proposed amendment, but would rather in turn, only push visitors and investors into a hotel or resort which would benefit only the individual hotel owners who most often are not Hawaii based and often retain huge tax breaks, rather than multiple and individually family owned and operated businesses.

Also as a 5+ board member on a residential AOAO association, I know first hand that condo management and AOAO are inept and would be unable to properly maintain such Transient Accommodations as suggested in this proposal.

For the past 10 years I have been the accountant for a locally owned and operated 100% legal vacation rental business. We currently maintain 150 individually owned condos in Waikiki and have assisted hundreds more throughout the years, many who were locally owned and operated. All within the legal zoned areas of Waikiki only.

This bill proposes an *unconstitutional taking by limiting their private property rights*. The US Supreme Court determined their private property rights are protected by "an investment backed expectation". This ordinance attempts to force our clients to relinquish their property management to a hotel that is not locally owned in effect giving the hotels a monopoly.

This amendment would open up a flood of litigation.

I believe it should rather focus on addressing illegal operations in residential neighborhoods and regulating and enforcing current laws, rather than creating new amendments that will only create years of litigations and uproar from the hundreds of thousands of people who would be affected by this bill.

Until Hawaii has an alternate sustainable industry to maintain the islands economy, tourism is one of the main source of income for many residents in the islands and to wildly cause such cuts to local jobs would be devastating to all especially during such economic times of hardship.

We humbly ask that you reject proposed amendments to Chapter 21 (LUO) relating to Transient Accommodations.

Mahalo, \*\*\*\*\*\*\*\*

Lehua Slater Accountant Ali'i Beach Rentals, Inc



2155 Kalakaua Ave, Suite 701, Honolulu, HI 96815 Phone 1 800 651-5657 ext. 3 Fax 1 808 441-9969 Office Hours: M-F 9-5pm but can always email http://www.alribeachrentals.com ----Original Message-----

From: rita wong [mailto:rita.aliibr@gmail.com]

Sent: Monday, August 30, 2021 3:39 PM

To: info@honoluludpp.org

Subject: DPP STR Draft Bill - Unconstitutional

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to opening attachments or links.

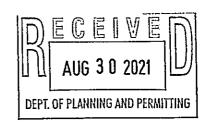
Mahalo in advance for considering our testimony.

I am a licensed Vacation Rental Manager at Ali'i Beach Rentals, been with this company for about 7 years and many more great years to come. This job has given me the opportunity to learn and be able to support my family and live on the expensive Island of Oahu. Passing this bill, my family and I will be affected and so as the other 25 employees in this company.

Please re-consider this bill, we as a company has always complied with the rules and new laws with short-term rentals. This bill will put many of us without jobs.

Thank you for your time.

Mahalo, Rita Wong Ali'i Beach Rentals 800-651-5657 ext.1





Hawai'i Convention Center 1801 Kalakaua Avenue, Honolulu, Hawai'i 96815 kelepani dax 808 973 2255 kelepani dax 808 973 2253 kahua pa'a web hawaiitourismauthority.org David Y. Ige.

John De Fries President and Chief Executive Officer

#### Statement of John De Fries

Hawai'i Tourism Authority
before the
CITY AND COUNTY OF HONOLULU
PLANNING COMMISSION



Wednesday, September 1, 2021 at 11:30 A.M.
Mission Memorial Auditorium

## In consideration of PROPOSED AMENDMENTS TO CHAPTER 21

Dear Chair Lee, Vice Chair Hayashida and members of the City and County of Honolulu Planning Commission, the Hawai'i Tourism Authority (HTA) <u>SUPPORTS</u> the proposed amendments offered by the Department of Planning and Permitting (DPP) which will further enhance their ability to enforce unpermitted short-term vacation rentals throughout the City and County of Honolulu.

The Hawai'i Tourism Authority supports efforts at both the state and county level that address the proliferation of illegal, non-compliant, and potentially unsafe transient vacation rentals. We continue to reaffirm our position that illegal vacation rentals negatively impact the quality of life of our residents by taking potential rental properties off the market, increasing traffic in residential neighborhoods, and by placing additional burdens on infrastructure and facilities.

While the number of visitors has increased over the years, there have been no major increases to the number of traditional units which include hotel, condo hotel and timeshare units. In 2009, there were 67,335 of these units and, in 2019, there were 65,707 units available representing a decrease in these types of accommodations of 2.4%. During the same period, we experienced an increase in visitor arrivals from 6.4 million to 10.2 million, a 59.5% increase but without a corresponding increase in accommodations. We believe these additional visitors likely stayed in non-traditional units, including illegal vacation rentals, located throughout Hawai'i's residential neighborhoods.

The proposed amendments by DPP will protect our residential communities by not allowing new short-term rentals to be permitted in areas where these types of accommodations were never meant to exist. Allowing new short-term rentals, in properly zoned areas, such as next to existing resort zoned property, will direct any new units into areas away from residential communities further preventing friction between residents and visitors. Additionally, the overhauling of

enforcement procedures along with the enhancement of DPP's enforcement operations will greatly improve the effectiveness of their actions and ability to address illegal short-term rentals.

It is for these reasons that the HTA welcomes these proposed amendments which will address the proliferation of unregulated vacation rentals and improve the quality of life of our residents. Mahalo for the opportunity to share our testimony in <u>SUPPORT</u> of these proposed amendments.

This testimony is submitted prior to DPP's presentation regarding this bill to HTA Board. However, our testimony in support of stronger enforcement against illegal vacation rentals is consistent with the continuing position of the HTA Board, leadership, our 2020-2025 HTA Strategic Plan and HTA's Destination Management Plans.

From: Caryl Arquette [mailto:caryl@arquetteproperties.com]

Sent: Monday, August 30, 2021 3:26 PM

To: info@honoluludpp.org

Subject: Proposed Bill to Extend the 30 Day Minimum to 180 Day Minimum Rentals

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Aloha Members of the City Council and the Honolulu Department of Planning and Permits,

I have been a Realtor and Property Manager in Honolulu for over 40 years. I do not agree to the proposed changes because it will affect the individual property owners and their rights.

Changing the minimum stay for short term rentals from 30 days to 180 days will greatly affect owners who have for years provided housing for:

- 1. Travelling nurses -- we are able to provide housing to nurses from out of state to help with our nursing shortage.
- 2. Contract workers who are here temporary to supply additional work when there is a shortage of workers.
- 3. Our "Snowbirds" who have been looking forward to spending a month or so in the warm weather our islands have to offer will not be staying in hotels.

Owners and property managers have known most of these families for years and they love our islands.

4. Our outer islands and mainland "Ohana" will not have a place to stay when they come to visit for weddings, graduations, reunions, hospital patients, etc. They cannot afford to stay in hotels.

These are just a few that will be hurt by passing this bill.

In regards to changing property tax categories to hotel will also affect the individual owners and not affect the hotels. Also, who are we befitting again when condominiums that have hotel rental pools are the ones only allowed to book instead of the individual owners of these condo units? Really--does this have anything to do with a shortage of housing? Proposing more restrictions on the rights of individual property owners is basically taking the power away from them and into the hands of the hotel owners. The revenues from these large hotel owners go outside of the state.

I am in agreement that there is a housing shortage here. However, this is not due to vacation rentals but rather the lack of available affordable housing on the market. Every year we are promised more affordable

housing units. They say that the land will be used to build more affordable homes, condominiums and apartment buildings. Instead it goes to the developers of high end condominiums where most of the units remain empty most of the time.

Let's keep the 30 day minimum rentals and work to enforce those who do not abide by it. Let's not change the property tax classifications, the hotel rental pool monopoly and protect the individual property owners' rights.

Sincerely,



## Caryl Arquette

Caryl Arquette R, SRES, CRB RB-10980 Principal Broker Arquette Properties, Inc. 3615 Harding Ave. #310 Honolulu, HI 96816

Cell: 808-228-9221 Fax: 808-732-9496

caryl@arquetteproperties.com

----Original Message-----

From: Scott Brazwell [mailto:sbrazwell007@gmail.com]

Sent: Monday, August 30, 2021 3:11 PM
To: Department of Planning and Permitting
Subject: Short Term Vacation Rentals

AUG 3 0 2021

DEPT. OF PLANNING AND PERMITTING

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#### Aloha,

I strongly oppose changing the short-term rental period to less than 180 days instead go the current status quo of 30 days. The 30 day definition has been in effect for more than 20 years and local residents have made final decision based on this definition. These decisions were made in accordance with the current zoning laws.

This also impacts other in the community. Visiting relatives require accommodations in neighborhoods close to family. This change would totally eliminate this choice. Many small business rely on these visitors to survive these tough economic times.

While the profits from large chain hotels goes to the mainland. Money received from 30 day rentals stays in our community.

Please oppose this draconian change.

Regards, Scott Brazwell From: Laurynn KP [mailto:lkp@alohanarealty.com]

Sent: Monday, August 30, 2021 3:04 PM

To: info@honoluludpp.org

Subject: OPPOSITION to DPP Proposed Changes to TVU regulations

Importance: High



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The publicity surrounding the bill is deceptive to the public, skewing the public's perception. The "discussion" (or more accurately the marketing) focuses only on the 'residential neighborhoods', reducing tourism, and creating 'housing for the locals' – which all sound like good things to the local people. However, what the DPP and other officials fail to mention is the fact that there is a whole other side to the bill not being discussed – deliberately. The public should be properly informed of the full content of the bill to truly understand the potential impacts.

The bill seeks to force privately owned and managed legal units in the Waikiki resort zone to be managed by the "Hotel". This does not reduce the amount of tourists or create new housing for the locals. This simply puts the units under the control of the large corporate hotels and eliminates the local businesses, property owners, and numerous local contractors currently handling legal units within Waikiki. Property owners will make less money on their investments being managed by the hotel. Thousands of local businesses and contractors will be out of a job. Those of us in the industry have just barely survived Bill 89, then COVID shutdowns, and have only recently been able to begin gaining traction again. This bill will decimate the industry entirely. The only ones that stand to benefit from this portion of the bill are the HOTELS, and this type of monopoly should not be allowed. This violates antitrust laws and infringes on the rights of property owners and affiliated local managers and contractors. The bill seeks to include new areas and change the zoning to allow more STRs run by Hotels.

- Diamond Head/Gold Coast: currently rentals less than 30days are prohibited.
- The "Apartment Precinct" within Waikiki that was just delineated, and short-term rentals deemed illegal through Bill 89.

These areas are currently being rented mainly as 30day rentals, with some buildings allowing 30day minimum rentals. This would essentially further **REDUCE** the amount of available long term rentals in Waikiki and INCREASE the capacity of Waikiki for <u>HOTEL</u> daily rentals. This portion of the bill would do the exact opposite of what the bill's supposed intentions are – yet the public is barely aware this is part of what's on the table due to the City's great marketing.

All rentals within Waikiki should not be mandated to be run by hotels in order to do short-term rentals. They are within the areas deemed legal by the City zoning. Any additional rules in regards to 30 day minimums throughout Waikiki resort zone and apartment precinct should be under the control of the buildings and property owners, not the city.

The city has highlighted only the portion of the bill relating to ILLEGAL Short-Term rentals in RESIDENTIAL AREAS. I agree that our residential neighborhoods should be protected. However, I cannot understand how "Illegal" rentals are still being allowed to operate after Bill 89. If there are some still rental operating illegally, they should absolutely be shut down and the DPP should be enforcing the laws already passed. Before implementing new regulations, the regulations set forth by Bill 89 should be enforced for a period of time to allow us to see the impacts and identify if there are still areas of concern. Without enforcement of the previous bill, there is no way at this time to determine the results and to warrant additional regulations. Implementing new regulations only further penalizes those of us

who are abiding by the laws set forth, while continuing to reward those who have not complied while the laws go unenforced.

Mahalo,

Laurynn Paet RS-83545 Alohana Realty LLC Office (808) 922-2111 x3 Cell (808) 773-3266 From: Ashley Hardy [mailto:ashley@elitepacific.com]

Sent: Monday, August 30, 2021 2:57 PM

To: info@honoluludpp.org

Subject: Department of Planning and Permitting - Vacation Rentals



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#### Aloha DPP,

I hope this email finds you well, I am reaching out to you in regards to the changes you are trying to make to Vacation Rentals. Please know that I fully support enforcement actions against illegal Short-Term Rental operators. I beg you to not change the definition from 30 days to 180 days. We just need to properly enforce the 30 day rule here in Oahu.

My job the past year and a half have been helping so much people on Oahu with the following:

- c. Families from out of State that are taking care of loved ones
- d. People moving to Oahu and looking to buy a home
- e. Families who are waiting for their new home to complete construction
- Government contract workers
- g. Traveling nurses
- h. Military PCS while looking for a home to buy
- i. Home Sellers who need to rent until they find a new property
- j. Film and TV crews while on a shoot

I take so much pride and work really hard at my job helping people during these hard times. I humbly ask you to please not change the 30 day rentals. I need this job to support my family and kids.

Thank you for your time and consideration.

Mahalo Nui Loa, Ashley





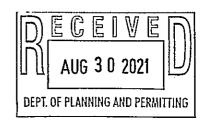
Ashley Hardy Guest Service Manager, Elite Pacific Properties M-F from 8:00am to 4:00pm HST 800.882.9828 ashley@elitepacific.com www.elitepacific.com





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To whom it may concern,

Regarding the proposed Amendments to Chapter 21 (Land Use Ordinance), Revised Ordinances of Honolulu (ROH)1990, as Amended, Relating to Transient Accommodations, I hereby submit my comments and testimony in opposition.

I fully support enforcement actions against illegal Short-Term Rental operators. There is no need to change the definition from 30-days to 180-days, and I support every effort to properly enforce the 30-day minimum.

The draft Bill plans to ban the legal 30-day minimum vacation rentals in Apartment Precincts in Waikiki. 1 oppose this Bill for the following reasons:

- 1. There are people on Oahu who need rentals of less than 180-days. These uses include:
  - Families from out of State that are taking care of loved ones
  - · People moving to Oahu and looking to buy a home
  - Families who are waiting for their new home to complete construction
  - · Government contract workers
  - · Traveling nurses
  - · Military PCS while looking for a home to buy
  - · Home Sellers who need to rent until they find a new property
  - Film and TV crews while on a shoot

Those people don't need or want to stay at ocean front hotels paying expensive accommodation fees. There should be an option for them to stay at condos less than 180 days with affordable rates. This also benefits Hawaii's economy.

2. Some buildings in Apartment Precincts in Waikiki ban 30-day vacation rentals in their Building Bylaws, while there are some buildings that allow 30-day vacation rentals. If the purpose of this Bill is to protect neighbors, why not let Owners Associations decide by allowing their input? I do not believe the DPP should override those owners' rights and implement such a one-sided standardized rule ignoring each building's owners' opinion and right to decide.

While it is understandable banning illegal vacation rentals in more quiet "residential" neighborhoods such as Kailua or Hawaii Kai, it makes no sense for Waikiki. Waikiki is unique as a successful tourism destination, with many local businesses, restaurants, and shops, that depend on tourists. Healthy successful tourism needs a variety of accommodations that provide options to visitors. With this proposed Bill it is narrowing accommodations to only local residents with long term 180-day leases, who will not contribute to the special businesses aimed at tourism and income for business owners and the state of Hawaii.

It is obvious that this Bill is aimed to help the Hotel Industry in Waikiki. It does not benefit Oahu by providing healthy competition as it only promotes the vested interest of the Hotel industry and its revenue.

I also oppose this Bill for the following reasons:

1. Condo-Hotel properties MUST be operated by the Hotel: There are no illegal vacation rentals in condo- hotels. They are zoned as Hotel/Resort and many privately owned. I'm not a lawyer, but I think it may violate antitrust laws (In the United States, antitrust laws are a collection of federal and state government laws that regulate the conduct and organization of business corporations and are generally intended to promote competition and prevent monopolies). I cannot see any rationale in this move other than monopolizing the tourism market by protecting the hotel industry's interest and destroying legal property management companies.

Competition in this industry is vitally important to keep improving Hawaii's accommodation services and attracting visitors to Hawaii. Competition results in better service, better property management with increased tax income to the State that benefits all local residents.

2. At the City and County level, this bill will affect the market value of many properties. Affecting these values will affect tax revenues and their ultimate use.

There should be other ways to stop illegal vacation rentals or solve the issue of the shortage of housing for local residents.

Letting the Hotel Industry monopolize the Oahu's accommodation options will result in a ruined economy.

Name YASUHIKO OGAWA

Date 8/31/2021

Signature Gno. Dgame

From: Sue Potter [mailto:suepotternz@gmail.com]

Sent: Monday, August 30, 2021 3:09 PM

To: info@honoluludpp.org

Subject: Amendments to Chapter 21 (Land Use Ordinance)



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105 Grand Drive

Remuera

Auckland 1050

New Zealand

August 31st, 2021

To whom it may concern,

Regarding the proposed Amendments to Chapter 21 (Land Use Ordinance), Revised Ordinances of Honolulu (ROH)1990, as Amended, Relating to Transient Accommodations, I hereby submit my comments and testimony in opposition.

I fully support enforcement actions against illegal Short-Term Rental operators. There is no need to change the definition from 30-days to 180-days, and I support every effort to properly enforce the 30-day minimum.

The draft Bill plans to ban the legal 30-day minimum vacation rentals in Apartment Precincts in Waikiki. I oppose this Bill for the following reasons:

My husband and I have travelled to Honolulu several times over the past few years to combine visiting family with a vacation. When we come, we book and stay at a privately-owned condo in Waikiki managed by a resort company. As my husband and I are retired and on a budget, we don't need or want to stay at ocean-front hotels and thus pay expensive accommodation fees. We could not afford to stay for more than 30 days in a rental condo, so believe that there should be an option for people like us to stay at condos less than 180 days with affordable rates. This also benefits Hawaii's economy as my husband and I shop for food, groceries and consumer goods while we are in Honolulu and always try to purchase local Hawaiian produce and goods. We hire rental cars and also attend cultural sites and performances with family and friends while in Waikiki. When we return to New Zealand we have always promoted Hawaii in a positive light as a very enjoyable and affordable holiday destination to our friends and acquaintances.

This proposed new Bill means that my husband and I would not be able to visit Hawaii as often or for as long as we have in the past, for the cost would be prohibitive.

There should be other ways to stop illegal vacation rentals or solve the issue of the shortage of housing for local residents.

Name Susan Potter
Date August 31, 2021

Signature

S.N. Poton

----Original Message----

From: Barbara Smith [mailto:hoppys@hawaiiantel.net]

Sent: Monday, August 30, 2021 3:01 PM

To: info@honoluludpp.org

Subject: Amendments to ordinance 19-18

opening attachments or links.

#### To whom it may concern:

I am very pleased to read that the Department of Planning and Permitting (DPPLL) is proposing major changes to Ordinance 19-18 concerning short-term rentals (STR). Especially the following:

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- 1. Hefty fines for those who operate illegally.
- 2. Allowing STRs only in resort designated areas and apartment areas abutting resort areas.
- 3. Requiring all STRs to register with the City and required to have their registration number or their NUC number on all advertisements.

All the previous laws that covered STRs have been seriously flawed and unenforceable due to very low fines or other means of punishment for illegal operators of an STR.

The Ohana law, was theoretically to provide an extra dwelling on a property for extended Ohana to live in. This law was abused because of a loophole that enabled property owners to sell off the Ohana unit as part of a horizontal property regime or condominium property regime. However, the primary residence on the lot was the one owned by the property owner requesting an ohana unit. When the new "owner" of the Ohana unit tried to get permission to add to the unit, they were told no way by the DPP as it wasn't the primary unit on the lot. Don't you think there was something wrong her? The answer is yes there was. If there were fines, they were negligible and not enforced.

The Bed & Breakfast law originally set limits in various residential communities for the number of "legal=permitted"

B&B units. Our community had a limit of 20. What happened? With a year, several of these legal B&B permitted properties were placed on the market for sale at \$200,000 to \$400,000 more than the asking price. And the permit ran with the land, not the property owner! This latter was a major flaw in the law as the land can not operate a B&B only the property owner could. The other major flaw was that the permit went to the new buyer of the property – a big flaw as all it did was increase reasonable priced properties out of reach of our young residents just starting out.

Now we have the ADU law. Another flawed law that allows people in all residential areas to contract another ADU unit on their property. This has all the makings of turning our existing Residential Zoning categories moot as now a property owner in A 3.5 (one house on a 3,500 square foot lot) can now have two thereby changing the zoning without the

property owners in that district actually voting on the change. The same is true for A 5, A 7.5, A and A 20. I seriously

hope that this law wasn't an end run to change the existing residential zoning districts into smaller ones and thereby create instantaneous slums all over the whole island.

And then we have the island wide Districts, like Koolauloa and Koolaupoko Development Plans, that hat land use designations for residential, mixed use, commercial, preservation/conservation, farming, etc. The districts in which Waikiki, Koolina and part of Kahuku had areas zoned for resort. Were these plan thrown out in the trash?

I am concerned about the newly registered and existing NUC transient vacation units (TVU) in residential area being assessed at the hotel and resort for real property tax purposes. To me this would turn the town I live in and its adjacent residential areas into a resort zone against the will of the vast majority of people living there.

I would like to see a statement in the law, that the permit for any STR runs with the property owner who was granted it and is moot upon the sale of the property. Again only a person can operate a STR not the land.

I am glad to see that the DPP with receive some proceeds from the STR fines as well as from the resort and B&B property tax to be use for enforcement. To me most of the previous laws had no mechanism to address the cost of enforcement, which was a big part of the enforcement problems.

This is our island, our home, please think of the ramifications upon our population from the youngest children to our oldest senior citizens. What do you want for them, your children, grandchildren, parents, grandparents in the future? One big tourist destination area with no place for those who work in this industry to live, or a good mix of residential, farming, industrial, commercial, resort and above all else preservation/conservation which provides green spaces between communities and preserves a lot of our Hawaiian heritage.

Thank you for reading this.

Aloha, Barbara J. (Hoppy) Smith

From: Gabriela Dorsett [mailto:gabi.aliibr@gmail.com]

Sent: Monday, August 30, 2021 2:48 PM

To: info@honoluludpp.org

Subject: DPP STR Draft Bill - Unconstitutional



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I am an employee of a very well-managed, licensed and legal short term rental company on Oahu.

Ali'i Beach Rentals employs 20 + local residents and serves a very sizable community of vacationers. Many families who can afford our rentals would not be able to visit Hawaii if their only option was higher hotel rates, eating exclusively in restaurants and staying a minimum of 180 days!

The main beneficiary of this law would be the large hotels. The competition would be eliminated overnight. The owners would be out of business and forced to sell properties they bought with the expectation of higher rental income.

My job and those of my coworkers would shrink dramatically or disappear.

Please reconsider this very punitive law.

Mahalo,

Gabriela Dorsett RS-76388 Ali'i Beach Rentals www.aliibeachrentals.com ----Original Message----

From: Tiffany Sugiyama Bakrim [mailto:tls96815@gmail.com]

Sent: Monday, August 30, 2021 2:44 PM

To: info@honoluludpp.org

Subject: The hotel monopoly is corrupted!

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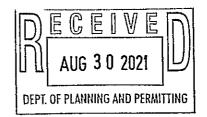
If anything should be obvious it is that we need to keep everything more local. Stop over reaching by the Large Hotel monopoly!! This is corrupt and wrong. This is wrong and killing any hope us locals have of getting a little bit above the paycheck to paycheck life.

Please let me know what you are going to do to support your population.

Mahalo

Tiffany Sugiyama

Sent from my iPhone





335 Hahani Street #342132 \* Kailua, HI 96734 \* Phone/Fax (808) 262-0682 \*htf3000@gmail.com

September 1, 2021

Planning Commission
Via email <a href="mailto:info@honoluludpp.org">info@honoluludpp.org</a>

Proposed Amendments to Chapter 21 (Land Use Ordinance), Revised Ordinances of Honolulu (ROH) 1990, as Amended, Relating to Transient Accommodations

Although Hawaii's Thousand Friends supports prohibiting short-term vacation rentals (STR) in residential zoning it is difficult to understand the rational behind permitting STRs in apartment A-1 zoning.

The number of STRs that will be a permitted use in A-1 and A-2 zoning in the Ko Olina, Kuilima, Gold Coast and Waikiki maps is stunning. The proposed bill states that B&Bs and TVUs will be permitted in A-1/A-2 apartment districts near Kuilima and Ko'Olina Resorts.

Exhibit C Kuilima map only shows A-1 zoning. Is the site currently zoned A-1? If not, what is the current zoning? Page 4 of the proposed bill states that there is A-2 zoning but the Exhibit only shows A-1 zoning. Where is the A-2 district located in relation to the Kuilima Resort?

Exhibit B Ko Olina Resort map shows extensive A-1 and A-2 zoning where B&Bs and STRs will be a permitted use. Are all the areas identified as A-1 and A-2 currently the existing zoning? If not, what is the existing zoning?

Including the A-2 area mauka of Farrington Highway is inconsistent with the original intent of the "3,500 feet" provision, and will result in a further loss of local housing; just the opposite of the stated intent of the proposed bill.

LUO Sec. 21-5.640 permits time sharing units in the A-2 medium density apartment zoning district provided: (a) They are within 3,500 feet of a resort zoning district of greater than 50 contiguous acres; and (b) the resort district and the A-2 district shall have been rezoned pursuant to the same zone change application as part of a master-planned resort community.

The intent of this Bill is to allow STRs in A-1 and A-2 district in addition to timeshares but without any provisions for distance and planning.

How can apartments built in the A-1 and A-2 district compete with the very lucrative timeshares and STRs?

The changes to the Waikiki apartment precincts lack long-term vision. The implications of allowing hotel and STR use in such a large existing long-term resident area must be studied. A more detailed transition plan is required in order to avoid creating a large incompatible use area and community disruption.

Exhibit A Gold Coast map shows the entire area zoned A-2. Is A-2 the only zoning within this area? If not, identify the other zones and their locations.

The proposed bill is silent on which supersedes, the map or the LUO text, should there be a discrepancy. That information must be contained in the LUO.

The current LUO states that the purpose of apartment zoning is to allow for a range of apartment densities and a variety of living environments. The predominant uses include multifamily dwellings, such as common wall housing, walkup apartments and high-rise apartments.

The current LUO states that the intent of A-1 low density is to provide areas for low density, multifamily dwellings. It may be applied as a buffer between residential districts and other more intense, noncompatible districts. It would be applicable throughout the city and the intent of the A-2 medium density apartment district is to provide areas for medium density, multifamily dwellings. It is intended primarily for concentrated urban areas where public services are centrally located and infrastructure capacities are adequate.

The bill states that STRs are disruptive to the character and fabric or our residential neighborhoods and are inconsistent with the land uses that are intended for our residential zoned areas, they decrease the supply of long-term housing for local residents throughout the City, and make living on Oahu less affordable for its resident population

Oahu's apartment zoning is designated for residents. How will residents living in A-1 or A-2 zoning "adjacent" to resort zoning not be subject to the same disruptions identified for residentially zoned neighborhoods?

The bill is silent on how "adjacent" is identified and measured and the maps show broad-brush changes. Much greater detail must be included in the next draft showing the exact location of A-1 and A-2 properties and explaining what factors will be used to determine if a A-1 or A-2 zoned property is "adjacent" to a resort district.

Since Oahu has a severe shortage of rental apartment and housing units it doesn't make sense to allow short-term vacation rental units in apartment zoning, which is intended for Oahu residents.

### Hawaii's Thousand Friends supports:

- The provision of the bill that stops the use of "fake" 30-day leases by redefining STRs as 180 days or less.
- Increasing fines from \$10,000 to \$25,000 for each violation with \$25,000 per day if the violation continues as a deterrent to continuing illegal behavior.
   We hope that this provision includes the requirement that the Department of Planning and Permitting may not reduce fines in the hope of getting compliance, as is the current practice.
  - Lack of enforcement against short-term vacation rentals in all zoning except resort has been the biggest roadblock to stopping this illegal activity. The creation of a special fund dedicated to improving the City's enforcement efforts will greatly help the continuation and spread of illegal short-term vacation rentals in all appropriate zoning districts.
- Requiring all legal short-term vacation rentals to list registration and TMK numbers in all advertisements will make it easier for the Department and residents to identify illegal short-term vacation rentals.
- Grandfathering in existing short-term vacation rentals with Non-conforming Use certificates so they continue to operate and apply for new permits.
- Requiring that advertisements for all legal short-term vacation rentals must include a registration number and their TMK number.
- Requiring that all illegal vacation rentals be removed from advertising or face significant fines.
- Subjecting violators who consent to stop their illegal vacation rental business to a \$100,000 fine if they break the terms of that agreement.

From: Ann THIEDE [mailto:thiedeann@outlook.com]

Sent: Monday, August 30, 2021 2:13 PM

To: info@honoluludpp.org

Subject: In regard to the DPP STR Draft proposal



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### To Whom It May Concern:

My husband and I purchased a condo in Fairway Villa during the month of June, 2021. We wanted roots again in Hawaii after having lived here for seven years in the 80's. Our desire was for a second home allowing us to spend time on Oahu and Fairway Villa had just what we wanted. Not only did we have an outstanding realtor, but she partners with another realtor of a well-known real estate company who manages units for owners who cannot or chose not to live in their unit full time. Our manager has been so helpful in making sure we took all of the appropriate steps with the State of Hawaii regarding licensing and the two forms of taxes we will pay the State. We are currently on the Mainland for the remainder of the year due to a second back surgery my husband has to have. Thankfully, a teacher on Oahu in the Leeward District (where I worked when we lived here previously) chose to lease our unit through the end of the year. We were grateful to provide a nice dwelling for him and for our new purchase to not stand idle while we remain on the Mainland.

We were recently informed about some big changes DPP wants to make regarding STRs and TVUs, our unit being a TVU. I've read through the proposal twice, often re-reading a section several times. It is my plan to attend the September 1 meeting virtually. But I wanted to express my dismay and surprise that the State is wanting to take some pretty drastic measures in the name of limiting tourism to minimize disruptions to neighborhoods which allow STRs and/or TVUs. It appears DPP believes it is imperative to increase licensing fees to owners of both astronomically (\$5000 first year and \$2500 every year after) to pay for enforcement of the very lengthy part of this proposal involving fines for misuse of STRs or TVUs. And the huge change proposed from a 30 day minimum stay to a 180 day minimum stay. Both of these changes appear to be a distinct push to drive out many owners of STRs and TVUs, including those who are ethical and follow the laws of the State regarding rentals in different zones. The hotels, however, will come off unblemished. The owners of units in condotels not so much, as they will have no choice but to have the hotel manage their rental, reducing their income.

If these changes go into effect, DPP will close doors for decent and affordable opportunities to nurses and others in the medical community, teachers, military and others needing temporary housing. But more importantly, I'm sure locals who own homes or condo units and use them to make ends meet while following State rules for either STRs or TVUs will be hurt financially. Local businesses whether in Waikiki or residential areas will also be negatively impacted if tourists or those coming for business purposes are limited in their choices of accommodations and choose places other than Hawaii. I didn't ask nor do I know how the economy was affected state-wide in 2020 by the pandemic. No doubt things were much quieter and the pace was definitely Hawaii-time, but at what cost? Does DPP really believe in the long run that these significant changes will not cost the State overall in negative ways? The federal government

came to the financial aide of many during the pandemic, but the funds will dry up for small businesses and individuals in Hawaii. And I dare say as the funds dry up and more people go back to work nationwide, tourism will decrease somewhat as well without the measures proposed by DPP.

Our manager does a great job recruiting people to the island who come for business purposes of usually a month or more duration. Our unit is perfect for such people as a TVU. If we, as retirees, can make even a modest income through renting our unit during the months we're not on the island due to health or family reasons (five young grandchildren in our Ohana), that will suit us fine. I fear, however, with these arduous changes that we nor many others will find suitable tenants willing to stay for a minimum of 180 days. My husband and I would be more than happy to brainstorm with DPP about other recourses to rein in illegal use of STRs or TVUs and make reasonable changes to the law that will not jeopardize the local economy and local or Mainland owners of STRs or TVUs.

Mahalo for listening. Ann and Steve Thiede 2345 Ala Wai Blvd. Honolulu, Hawaii 96815 214-770-0495/214-770-6505

Get Outlook for iOS

----Original Message-----

From: Cindy Eastman [mailto:alohacindyeastman@gmail.com]

Sent: Monday, August 30, 2021 1:59 PM

To: info@honoluludpp.org

Subject: Vacation rentals in my owner occupied home

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opening attachments or links.

To who it my concern

I have lived in Hawaii for over 40 years raised 3 local children educated them and watched them participate in division one sports representing the state of Hawaii and giving back to the community.

Today I am single Mom/Grandmother with Four Grandchildren and the only way I can afford to stay in Hawaii and help raise them is to rent out a room in my home. I have made many sacrifices to stay here and have spent years giving back to Hawaii thru education and helping small businesses.

The fact that I gladly give up my personal space in my home and host others to share my joy and lifestyle here in Hawaii and have the ability to STAY here and be active in this community is what makes a super host a success.

So not link people that rent spaces in their own home out as the same as investors that rent out non owner occupied homes in the same boat. We are not we are home and we provide safe and protected places for those that want to travel and not stay in a hotel.

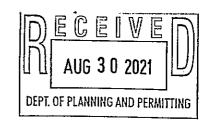
This action is not being considerate of the true home owners that live and rent their spaces fairly.

Hawaii's history is sharing stories and our special lifestyles with others.

ALOHA is sharing our joy and our love of the islands

Please do not change the rules to linger stays meaning that only Canadians and Europeans can take that long time off to rent a place.

Aloha, Cindy



----Original Message-----

From: Corinne Vollrath [mailto:rda1786@shaw.ca]

Sent: Monday, August 30, 2021 1:40 PM

To: info@honoluludpp.org
Subject: Bill 89 amendment :(

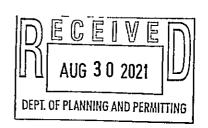
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Owners have property rights

A. I will NOT pay to stay in my condo.

B. I have paid my NUC certificate on time for many years, and would ask you only to charge units (the registration fee) if they had not previously had a certificate. This would apply to units joining in the areas adjacent to resort areas.

C. Vollrath Owner #802 Waikiki Sunset (587) 921- 2930 Sent from my iPad

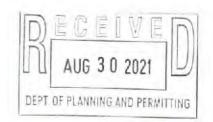


From: Kaiula Jack [mailto:kai@aliibeachrentals.com]

Sent: Monday, August 30, 2021 1:48 PM

To: info@honoluludpp.org

Subject: DPP STR Draft Bill - Unconstitutional



CAUTION: Email received from an EXTERNAL sender. Please confirm the content is safe prior to opening attachments or links.

Mahalo in advance for considering our testimony.

I'm the Founder and Principal Broker of Ali'i Beach Rentals, which is a licensed LEGAL Short Term Rental company here on Oahu. We manage about 150 properties mainly in the Waikiki area and employ 25 local residents that live in our community. The money my company and my staff receive stays on the island unlike large Hotel Companies who are obviously the driving force behind this DPP STR Draft Bill. If this Bill is passed it will shut down Ali'i Beach Rentals for good and all 25 of us will be out of a job along with THOUSANDS of other local residents that work in the LEGAL STR industry. This is a travesty considering we're coming out of the highest unemployment rate ever. This is a time when government should be taking steps to create jobs not delete them with bills that virtually eliminate this particular part of the licensed and regulated real estate industry.

From the standpoint of my Client/Property Owners this bill proposes an *unconstitutional taking by limiting their private property rights*. The US Supreme Court determined their private property rights are protected by "an investment backed expectation". This ordinance attempts to force our clients to relinquish their property management to a hotel that is not locally owned in effect giving the hotels a monopoly.

Regarding changing the minimum rental term from 30 to 180 days in non-resort zoned properties, this again will cause property values to go down significantly because owners will lose the ability to stay in their home periodically and rent out the rest of the year by a company such as ours. Again it's a "Taking" without receiving compensation. There will be thousands of lawsuits taking years to sort out. Many of those lawsuits will likely be clients of ours seeking compensation. We went through all this with Bill 89, so why do we have to again? That lawsuit took years to settle. New laws or ordinances will not "fix" the lack of **enforcement of the current laws.** Lastly, a large number of our 30 day minimum properties are being rented by traveling nurses and doctors coming over from the mainland to help with the Covid crisis. With hotel room prices so high they would be paying upwards of \$10K/month if they had to stay in a hotel and wouldn't have the ability to cook their meals. These 30 day rentals are vital for our rental market.

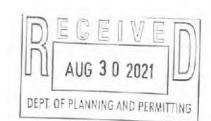
Additionally, **This Draft Bill would not create more housing for Oahu residents.** We very much agree that we need more affordable housing on Oahu. However this Bill will not create more affordable housing. If an owner is renting out a property as a 30 day rental and loses the ability to do so, the vast majority of them will either sell the property because they can't rent it out anymore while they are not staying there themselves, or leave it empty so they can stay there themselves periodically. Neither one of these scenarios creates affordable housing as these properties will be sold for \$1-3M which as you know is not affordable for most of Oahu's people.

Is it constitutional for the County to take private property, in violation of the takings clause of the US Constitution and turn it over to the hotel industry? NO

I urge the County to reject this ordinance in its entirety.

Again, new laws or ordinances will not "fix" the lack of enforcement of the current laws.

With Warmest Aloha, Kai Jack (R) RB-21061 Owner and Principal Broker Ali'i Beach Rentals (808) 769-6800 ext. 52 www.AliiBeachRentals.com



From: Carl Schneider [mailto:schneiderhb@gmail.com]

Sent: Monday, August 30, 2021 1:32 PM

To: info@honoluludpp.org

Subject: Public Comment Regarding Bill Relating to Transient Accommodations

CAUTION: Email received from an EXTERNAL sender. Please confirm the content is safe prior to opening attachments or links.

TO: Members of the Planning Commission

SUBJECT: Public Comment Regarding Bill Relating to Transient Accommodations

Dear Planning Commission Members,

I am very concerned about your bill relating to transient accommodations. According to this bill, "The purpose of this Ordinance is to better protect the City's residential neighborhoods and housing stock from the negative impacts of short-term rentals...".

In reality, much of this bill is just an attack on individual property owners' rights in order to create a competition-free environment for the corporate hotel owners. This bill drastically expands hotel interests while choking out individual property owners' rights. Below are some specific sections that are very concerning and do not work towards achieving your stated purpose.

1). Sec 21-5.360 Condominium Hotels: "Units in a condominium-hotel must be part of the hotel's room inventory"

Can you please explain how this section is related to the original purpose of this bill, which is to protect residential neighborhoods? Condominium-hotels in the Waikiki resort zone are not in residential neighborhoods. Therefore, how does forcing the property owners of units in these condominium-hotels into being part of the hotel pool help the original purpose of this bill?

This section does not offer any benefits to the local community, but only to the hotel industry. This section eliminates any possible competition through legal property management companies and creates a monopolistic market.

I am the owner of a legal transient vacation unit (TVU) in the Waikiki resort zone, in a condominium-hotel. I have opted to have my unit managed by a professional short-term management company, instead of being managed by the hotel pool. The company that manages my unit is a legally licensed and insured company. They have about 25 employees (all living and working on the island) and provide a very reliable and professional service to me as an owner as well as to our guests.

The fact that units in condominium-hotels can currently be managed by either the hotel pool or by third-party management companies creates a healthy and competitive market. Imposing that only the hotel pool is allowed to manage all units in condominium-hotels creates a monopolistic market for the hotel industry. It is obvious that this type of condition only has negative effects for the public (higher prices and lower-quality service), and only benefits the hotel industry. In this purely monopolistic model, the monopoly firm can restrict output, raise prices, and enjoy supernormal profits in the long run. With this monopoly, the hotels would be able to charge very high management fees to the owners of hotel-units without fearing to lose clients, since the owners would be stuck without any other choices.

Some condominium-hotels have up to 1,000 hotel-units. One hotel operator can easily be overwhelmed by having to manage all the units and can't offer the dedicated, very responsive and reliable service a management company can for both the owners and the guests. This could quickly turn the owners' investments into a loss and force many to sell their units. I agree that the number of tourists coming to the islands needs to be limited. A healthy tourism industry would be highly beneficial for this island. However, it is important for the tourism industry as well to support a healthy, professional, and competitive market. This is the only way to ensure that the supply of vacation rental units is kept in good condition, the quality of services remains high and prices competitive.

The local property management company that manages my property has maintained an average rating from renters of 4.92 stars (out of 5 stars possible) for my property. By contrast, the average rating from renters of all condo units in my building managed by the hotel are 20% lower than this. This indicates that tourists are more satisfied with units such as mine, managed by local management companies, than with those managed by the hotel. Why would you want to eliminate that superior service along with competitive pricing for your visitors?

2). Sec. 21-5.730-2 (a): "Each natural person may own no more than one unit that is registered as a B&B or TVU".

This section does not have any positive impact on the local housing market! Since the number of legal units would not increase, why does it matter how many units a person owns?

"Legal entities other than natural persons are not eligible to register a bed and breakfast home or transient vacation unit with the department."

Many owners own their properties through their personal trust, simply for the purpose of protecting their property. This has no bearing on the housing market and should not be restricted.

This section obviously would not apply to corporate hotel owners that already own thousands of transient vacation units, so it would benefit them by harming their competition. Such drastic regulations and limitation of ownership does not protect the city's residential neighborhoods and housing stock, it would only discriminate against and cause harm to individual owners.

3). Sec. 21-5.730-2 (b): "The application cost for an initial registration is \$5,000.00 and the application cost for renewing a registration is \$2,500.00".

These fees are excessive, not reasonable, and do nothing to achieve the stated purpose of this ordinance, which is to protect residential neighborhoods. These fees apparently would not apply to corporate hotel owners that own thousands of TVUs, so applying them only to individual owners is unjust discrimination.

It is completely obvious that many sections of this bill were written for the sole purpose of benefiting the corporate hotel owners and it would create a windfall for them. Since when is that the role of government? This bill imposes ownership, operations, and financial hardships, hurdles and restrictions on individual TVU owners and operators while at the same time giving corporate hotel owners the unfettered right to operate without the same restrictions. This bill seeks to take away long-established property owners' rights in the resort zone that explicitly allow owners to own and operate TVUs. This bill may also be a violation of the Fourteenth Amendment which guarantees the protection of equal rights.

Those who have chosen to own and operate short-term rentals in the resort zone have done so in a good-faith effort to comply with existing laws and should be allowed to continue without these newly proposed hardships, hurdles and restrictions.

Sincerely,

Carl Schneider

August 30, 2021

AUG 3 0 2021

DEPT. OF PLANNING AND PERMITTING

To Whom This May Concern,

**Regarding TVUs** 

I recently received an email from a James Tobkin, from RedAwning, who is pushing for short-term rentals to tourist in Waimanalo. I have no idea how this man got my email address. He was attempting to get me to rent out my property for vacation rental, with the enticement to "ensure that you make the most money possible on your listings".

I rent part of my property out to people of Hawaii, who are long-term residents/rentals. I know I could get more money with these short-term rentals, but I am committed to preserving what beauty we have left in Hawaii for the long-term, not a quick buck. I'm sure there are other people in my area that will want to make the quick buck.

What can we do to stop these greedy, money-crazy people from undermining our islands? They need to be controlled and most importantly fined for their activities that may be illegal.

Please help the common citizen to stop these un-friendly and destructive practices. Please pass legislation to make this activity illegal, and make sure there is funding to allow for enforcement of these destructive practices.

Aloha,

**Sharon Young** 

(808)226-9117

From: Proctor, Catherine

Sent: Monday, August 30, 2021 12:32 PM

To: Takara, Gloria C

Subject: Oral testimony provided via call

Hi there!

I received a call from Ms. Nancy Manali-Leonardo (941-778-2190 or 808-542-1556) who does not have access to a computer and asked that I relay her testimony to the Planning Commission.

She is currently on the mainland and said that if this bill passes she will become homeless. She is an owner for one of the condo hotels and feels that she will become homeless if the property turns to hotel only.

#### Thanks

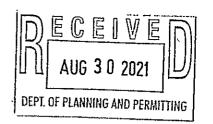
#### **Catherine Proctor**

Private Secretary to the Director
City & County of Honolulu
Department of Planning and Permitting

Phone: 768-8000

email: cproctor@honolulu.gov

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Chloe Meister 58-298 Kamehameha Hwy. Haleiwa HI 96712

DPP,

I am requesting that you do not change the rental rules from 30 to 180 days.

Resident landlords on the North Shore will not be able to pay their mortgages. When residents are forced into foreclosure foreign investors step in. Most of the beachfront North Shore is owned by ofr sland owners!

Local people who have invested in the North Shore should be helped, not driven out.

Please support invested locals.

Let us keep our rentals that have supplemented our mortgages.

Taking away our rights to rent our own houses, especially during this pandemic time when we are struggling financially is wrong and will be crippling.

Please DO NOT pass this new bill.

ERloe Meister

Torrey P. Meister 58-298 Kamehameha Hwy. Haleiwa HI 96712

August 29, 2021

To the Department of Planning and Permitting,

I am writing to oppose more government dictation on what home owners can do with their own homes.

I am a Professional Surfer. For years I have watched the international surfing industry come and go from the North Shore. They do not stay for 180 days. However, they do come EVERY year and supplement our local economy.

Surfers will not be able to afford to stay in "resort zones" Even if they do, they will not STAY in the resort zones. If they're going to be on the North Shore anyway, why do you want to take away the income from struggling North Shore residents?

This proposed rule will take needed money away from local families who hav. invested in the North Shore. "Investment homes" are businesses and will still find a way to conform to your rules. FAMILIES will not an able to pay their mortgages if you force them to give away their rentals to 6 month or more leases.

There has been a witch hunt on the North Shore because people who come from other places to have their "time that I lived in Hawaii" can't find affordable rent. It is unfair to force invested local families to "rent affordably" at the expense of not being able to afford their house payments. Changing the rules doesn't change the reality of homeowner's bills. People were counting on rental income when they purchased these properties.

Please support North Shore residents by allowing them to continue to do 30 day or more rentals out of locally owned homes.

Derrey Meister

Mahalo.

**Torrey Meister** 

Mike Meister 59-178 C2 Kamehameha Hwy. Haleiwa HI 96712

August 29, 2021

Dear Planning Commission,

I oppose proposed changes to the DPP Illegal Vacation Rental Bill based on infringements of personal rights.

My opinion is that your new guidelines are an overreach that will hurt our economy, hurt me personally, hurt our rental market and NOT help the people that need affordable rentals.

This move will only escalate the "illegal" rental problem.

W Nichal Mark

Until more housing unit permits are issued there will be no release from the stranglehold that the DPP has on local home where.

For the Government to place more restrictions on how our personal property is used, especially when it is about people residing in residentially zoned areas, is completely inappropriate and should not be allowed. How long we can rent our spaces should be left to the taxpayer.

Mike Meister

Susan Meister 59-178 C2 Kamehameha Hwy. Haleiwa HI 96712

Dear Sirs at DPP,

I am communicating to contest the proposed changes to vacation rentals on Oahu.

I have lived on the North Shore for 20 years.

I have invested in the North Shore.

During Covid my home went into foreclosure. I had to borrow hundreds of thousands of dollars to retain my home.

If you take away my ability to do 30 day or more rentals my family will surely become displaced.

Many homeowners on the North Shore have a rental to supplement their mortgage payments and be able to pay their taxes.

This proposed rule will prohibit us from semester long contracts with college students; it will bar the 3 and 4 month contracts we have with traveling nurses, active duty military, and traveling University staff.

Forcing guests to spend their money in "resort zones" does not keep them in the resort zones. Our roads, neighborhoods, beaches and services remain crowded by tourists regardless of where they are sleeping. Thus proposal just keeps the money from flowing into local communities.

This bill does not help residents, it just kills the small local investor.

Please **do not** change the transient vacation rental rule, financially, you're killing local homeowners.

Thank you for your consideration,

Susan Meister

Mr. Dean Uchida
City and County of Honolulu,
Department of Planning and Permitting
650 S. King Street, 7th Floor
Honolulu, HI 96813

August 30, 2021

Dear Sir,

My name is Jonnah Sayson, I am writing this letter to formally request a written document stating the Department of Permitting and Planning(DPP) doesn't have a stored copy of the building plan or blueprint of 94-426 NOHOLOA LOOP, MILILANI HI 96789, therefore is unable to provide me with such copy/document. I have talked to historical archives and Data Imaging branch, both have verified that the property mentioned above was built before 1978 and so does not have any stored building plans or blueprints at the department. I have also talked to both the developer and association representatives and both have said that they don't have any copy of the blueprint or building plans of the property.

I am leasing this property, but I have received permission from the owners to use the house for foster home in the future. I am in the process of submitting the requirements and one of the requirements is the letter I am requesting to your office. The license department at DD-DOH has informed me that I must provide this document from your department to start the application process.

I humbly ask your prompt action in this regard, I sincerely hope all in well in this trying times! Should you have any questions, please contact me at 808-726-5066 / 808-429-8595 or Jonsayson0025@gmail.com.

Thank you very much!

Jonnah Sayson

### DARREN AIWOHI 62-103 ANAHULU PLACE HALEIWA, HAWAII 96712 PHONE 1 (808) 722-5658

August 19, 2021

Mr. Dean Uchida, Director
Department of Permitting and Planning
Frank Fasie Municipal Building
650 South King Street,
Honolulu, Hawaii, 96813

Re: A2018-08-0018

Dear Mr. Uchiida,

I need some help!

My draftsman, Dan R. Hawkins applied for my building permit on line Three years ago!

Kanani Padeken, was processing our plans, which Dan understood was ready to be issued, but for some reason Kanani, before she was caught taking bribes and fired, was not returning Dan's repeated phone calls, leaving a voice message with my name and application number A2018-08-0018 to call him, cancelled our building permit application.

If Kanani, had returned Dan's phone calls I would not be writing this letter, and would be building my house. Instead of paying interest on by vacant lot!

Upon finding out my building permit application was cancelled Dan wrote letters and emailed the following on my behalf:

Mr. Mayor Rick Blangiardi on January 28, 2021. NO REPLAY!

Mr. Perry Tamayo, on March 16, 2021, NO REPLAY!

On 4/1/2021 Email to Perry Tamayo, with copy of March 16, 2021, letter attached. NO REPLAY!

What bothers me the most is that the above people did not have the courtesy to replay to Dan's letters requesting for help in me getting my building permit.

Given Kanani Padeken was not doing her job as required, it is only fair to me, is to reinstate my building permit Application and issue my building permit.

Thank you for your help.

Sincerely,

Darren Aiwahi

**Planning Commission** 

650 South King St

7<sup>th</sup> Floor

Honolulu, HI 96816

August 25, 2021

RE: Why are you eliminating BnB's

BnB's aren't the issue. They support local families. They aren't the noise and parking issues. Please let us do what we want with the rental that is attached to OUR home.

180s days is far too long. We enjoy being able to rent our home out for a month during the summer and go on vacation.

Alvha Mult COLZ

From: Joyce whitegon [mailto:seajoycego@gmail.com]

Sent: Tuesday, August 31, 2021 6:45 AM

To: Takara, Gloria C

Subject: Proposed Amendments to Chapter 21 (Land Use Ordinance [ LUO] )

CAUTION: Email received from an EXTERNAL sender. Please confirm the content is safe prior to opening attachments or links.

Attention: Chair, Brian Lee

#### Dear Sir

My wife and I purchased a condominium at Kuilima Estates East in 1990. We specifically purchased a unit with a N.U.C. permit to be legal. We have made all G.E., T.A.T. and property tax payments and successfully renewed our N.U.C. for 31 years. We have had a local Hawaii agent handle our rental for 31 years without any complaints and using all local trade persons for upkeep.

These proposed amendments will affect us four ways.

- 1. our N.U.C. permit will not pass to our children when we are gone.
- 2. Thirty one years of perfectly legal should not be penalized by a \$5,000.00 registration fee.
- 3. \$2,500.00 a year renewal is 8 times the fee for a legal N.U.C.!
- 4. Changing the property tax to hotel rates will increase the tax amount by 3 times!

Of course we could just raise our daily rate by \$50.00 a night but that will further distance anyone on a budget from coming to the islands. Is this what you really want?

Your consideration of these idioms would be much appreciated. Sincerely
Dave and Joyce Whitegon
1504 Caribbean Way
Laguna Beach, Calif. 92651
(949) 497-3875

From: Karen N. Robertshaw [mailto:karenr@bhhshawaii.com]

Sent: Tuesday, August 31, 2021 7:39 AM

To: info@honoluludpp.org

Subject: interested in attending web mtg re: proposed rental issues

CAUTION: Email received from an EXTERNAL sender. Please confirm the content is safe prior to opening attachments or links.

Please email link to meeting to karenr@bhhshawaii.com

Karen Robertshaw 808-779-8788

Karen N Robertshaw, R RB-13542 SRES, BHHS Legend Award Recipient Mobile: 808-779-8788

"Yesterday I was young, so I wanted to change the world. Today I am a little wiser, so I am changing myself"

Rumi

From: Mavis Nellas [mailto:mavis.nellas@corcoranpacific.com]

Sent: Tuesday, August 31, 2021 8:15 AM

To: Info@honoluludpp.org

Subject: Fwd: Proposed Amendments to Chapter 21

CAUTION: Email received from an EXTERNAL sender. Please confirm the content is safe prior to opening attachments or links.

Aloha,

With regard to the lillegal Short-Term Rental operators in residential areas, I am in full support of enforcement actions against them.

Regarding the change of 30 day rentals to 180 days, I do NOT support. There is value in the 30 day rentals and unnecessary to change the definition from 30 days to 180 days which will add more convoluted rules and still require enforcement.

We need to properly enforce the 30 day rule as it is now. There are many types of renters with varied reasons who need a rental situation for 30 day periods. As a licensed real estate professional, I **frequently encounter** people on Oahu who need rentals of less than 180 days. Some of these uses include, but are not limited to:

- Families from out of State that are taking care of loved ones
- People moving to Oahu and looking to buy a home
- Families who are waiting for their new home to complete construction, renovation work
- · Government contract workers
- Traveling nurses
- Military PCS while looking for a home to buy
- · Home Sellers who need to rent until they find a new property
- · Film and TV crews while on a shoot

These people are not vacationers and depend on a 30 day rental and do not need to pay for extra months that would be a financial hardship.

I, myself, needed a 30 day rental while renovating my home. I did NOT need, nor want to rent a hotel room for 30days, nor rent and pay for an extra 150 days of rent! If you have not experienced this or one of the reasons above, one day you will and will be happy the 30 day rental exists!

Again, the 30 day rentals are not vacationers, but rather those who need a temporary place to live while in transition. Please see the compassionate benefits of the 30 day rental from all sides and not just from the view of the hotels and resorts. This is Hawaii and we should be allowed to extend our hospitality to those who also need a place to stay for 30 days.

Real estate professionals respect and abide by the current rental rules. Better enforcement of the current rental rules need to be properly enforced, not new rules or laws. Changing the current rules just creates confusion and other problems.

Me Ke Aloha Pumehana, Mavis Nellas RA, CRS, GRI, SRES Corcoran Pacific Properties

Email: Mavis.Nellas@CorcoranPacific.com

Mobile: 808-497-0825

From: Spencer Lee [mailto:spence.slee@gmail.com]

Sent: Tuesday, August 31, 2021 7:58 AM

To: info@honoluludpp.org

Subject: TESTIMONY TO OPPOSE AMENDMENTS TO CHAPTER 21

CAUTION: Email received from an EXTERNAL sender. Please confirm the content is safe prior to opening attachments or links.

Aloha Planning Commission and Chair Lee,

I am opposing the amendments the Commission is considering relating to short term rentals and transient vacation units. I support harsher actions against people who are operating short term rentals illegally. But for the majority of people like me who operate legally, there is no need to change the 30 day rules. I often rent to those in our armed forces, families who are moving to Hawaii but renting while they find a permanent home, people who are visiting family and kupuna on Oahu, and college students. The rules to include all rentals 30 days or greater as short term rentals and will harm many local property owners as well as the tenants, who will now be unable to find shorter term housing or will be forced to stay in expensive hotels. Building HOAs already have rules in place to limit short term rentals, so this new regulation by the Planning Commission would be duplicative. Furthermore, this potential rule change will significantly depress property values in the Waikiki area and resort zone. Many owners like me have pride of ownership and use our rental income to help upkeep the property and our rental units. Many of the building HOAs are already very expensive (mine is over \$900 a month!) and this rule change will make it even more difficult to earn income to help cover my mortgage and other related property payments. Please do not take out your few frustrations on the majority of property owners who are adhering to laws, doing the right thing, and contributing to Oahu's economy. Please reject the potential amendments related to STRs and TVUs.

Thank you.

-Spencer Lee

Spencer Lee B.A. Economics spence.slee@gmail.com To: City and County of Honolulu Planning Commission August 31, 2021

From: Jim Tree owner at Beach Villas at Ko Olina

Re: Written submission regarding Proposed Amendments to Chapter 21, Revised Ordinances of Honolulu (ROH) 1990, as Amended, Relating to Transient Accommodations.

## I. Introduction:

In 2010 I purchased a condominium at the Beach Villas at Ko Olina, a condominium organized under HRS 514B and located in a Resort zone. I serve as the chair of the Rental Committee, a committee that makes recommendations to the HOA Board of Directors regarding Short Term Rentals ("STRs").

My path to ownership at the Beach Villas will help you understand why I am so passionate about the Planning Commission getting this Proposed Ordinance change right. My parents lived on Oahu in the early 1940's, my dad was working at Pearl Harbor in December of 1941. My parents returned to the mainland, but they instilled in me a love for Hawaii and its people. It was this early love for Hawaii that drew me to Hawaii for college. One of my roommates was a graduate of Kamehameha High School and nephew of Alex Apo, an early beachboy who ran the Outrigger Waikiki Beach Concession for many years. We would often rake the beach in front of the Waikiki Outrigger and Alex would 'tell stories' and let us take the outrigger canoes and surfboards out. It was here I first learned of the importance of Aloha 'Aina and having a kuleana for the land. I witnessed firsthand what it meant to be an ambassador for Hawaii, and this deeply impacted me. I returned to the mainland after college and raised a family.

As a result of my family and college experience I had a strong desire to purchase a second home in Hawaii. I knew I would need to rent it out to make this financially feasible. Finally, by 2008 I was able to do so. I wanted to demonstrate my respect for the land and the laws of Hawaii so I researched where I could purchase property where it would be legal to have short term rentals. Everyone told me that would be in a Resort zone. I looked at the Ocean Villas at Turtle Bay and the Beach Villas at Ko Olina, both condominiums in a Resort zone and both having HOA rules allowing short term rentals. To this day there is widespread consensus that "Condos in Resort zones on Oahu allow owners to run a short-term vacation

rental business, assuming the condo association does not prohibit short-term rentals." Hawaiiliving.com/blog

## II. The impact of the Proposed Ordinance on STRs in a Resort zone.

My discussion and requests will only be concerned with properties located in a Resort zone. As I have talked to real estate experts on Oahu there is a great deal of confusion regarding the potential impact of the Proposed Ordinance on short term rentals in a Resort zone. Some saying there will be no impact on hotels, condominium hotels, and condominiums with HOA rules that allow short-term rentals and that are located in a Resort zone, with others saying there will be a tremendous impact.

## A. Transient Vacation Units ("TVUs") in a Resort zone.

Recently DPP revised the Proposed Ordinance by adding Transient Vacation Units ("TVUs") back into Table 21-3, Mixed Use Table, as a permitted use in a Resort zone, however, there was no corresponding change made to the text of the Proposed Ordinance. This is significant because a note to Table 21-3 states, "In the event of any conflict between the text of this Chapter and the following table, the text of the Chapter shall control." Without a corresponding change to Sec. 21-5.730.1, etc. this recent revision to Table 21-3 will have no effect.

The fact that DPP had originally not included TVUs as a permitted use in a Resort zone vividly demonstrates that DPP was not considering hotels, condominium hotels, and condominiums in a Resort zone as TVUs. If they are considered TVUs then under DPP's original proposal there could be no hotel, condominium hotel, or condominium operating with STRs in a Resort zone as TVUs were not a permissible use in a Resort zone. (The change to only the Table and not to the text continues to prohibit TVUs in Resort zones.)

Whether TVUs are going to be a permitted use in a Resort zone and what effect that will have on STRs in a Resort zone should be of considerable concern to the Planning Commission. If TVU's are a permitted use in a Resort zone how will this impact hotels, condominium hotels, and condominiums in a resort zone? TVU's are defined in the Proposed Ordinance as "a dwelling unit or lodging unit that is advertised, solicited, offered, or provided to transient occupants, for compensation, for periods of less than 180 consecutive days, other than a bed and breakfast home." This broad definition includes hotels, condominium hotels, and condominiums. Since TVU's are defined so broadly and currently TVU's are not a

permitted use in Resort zones (until the text of the chapter is revised) hotels, condominium hotels, and condominiums cannot offer lodgings of less than 180 days inside the Resort zone. Surely this is not the intended consequence of the Proposed Ordinance. The definition of TVUs should explicitly exclude all hotels, all condominium hotels, and condominiums in a resort zone. If the text of the chapter is revised to be consistent with the recent change to Table 21-3 the exclusion still needs to be written into the definition for TVUs, otherwise, hotels will need to meet the occupancy, permitting, and other compliance issues surrounding TVUs.

Examination of the purpose of this Proposed Ordinance and the purpose of the Resort zone also leads to the conclusion that the definition of TVUs need to be modified to exclude all hotels, all condominium hotels, and condominiums in a resort zone. Both the August 13, 2021 staff report ("The purpose of this Ordinance is to better protect the City's residential neighborhoods and housing stock from the negative impacts of STRs...") and the Proposed Bill itself ("Short-term rentals are disruptive to the character and fabric of our residential neighborhoods; they are inconsistent with the land uses that are intended for our residential zoned areas...The purpose of this Ordinance is to protect the City's residential neighborhoods...") clearly explain the purpose of this Proposed Bill is to protect the residential neighborhoods. The City and County has a clear nexus in regulating STRs in residential neighborhoods but there is no nexus in regulating TVUs in resort zones. In fact, to do so goes against the history and purpose of the Resort Zone. "The purpose of the resort district is to provide areas for visitor-oriented destination centers. Primary uses are lodging units and hotels and multifamily dwellings...This district is intended primarily to serve the visitor population..." ROH Sec. 21-3.100.

In short there is no valid reason to further regulate STRs inside a Resort zone. Accordingly, the definition of TVUs should explicitly exclude a dwelling unit or a lodging unit inside a Resort zone.

# B. The Beach Villas at Ko Olina and the Proposed Ordinance.

Although the Beach Villas meets the definition of hotel under the existing and Proposed Ordinance, ""Hotel" means a building or group of buildings containing lodging and/or dwelling units [offering] that are used to offer transient accommodations to guests.[,]. A hotel building or group of buildings must contain [and] a lobby, clerk's desk or counter with 24 hour clerk service, and facilities for

registration and keeping of records relating to hotel guests. A hotel may also include accessory uses and services intended primarily for the convenience and benefit of the hotel's guests, such as restaurants, shops, meeting rooms, and/or recreational and entertainment facilities." Section 24. Chapter 21, Article 10.

The Beach Villas is beachfront in the Resort zone of the Ko Olina Resort. The Beach Villas is only one of four beachfront properties developed at Ko Olina, the other three are the Four Seasons, the Aulani, and the Marriot Beach Club.

The Beach Villas was built as a luxury resort condominium with approved uses for transient vacation rentals and long-term residencies. Accordingly, it was built with a beautiful and spacious Hawaiian themed front desk that is operated 24 hours per day. The property also has a beach bar, meeting room, and recreational facilities. In every aspect it meets the definition of hotel under the Proposed Ordinance. However, because the 247 two and three bedroom condominiums are individually owned it is not possible to meet the new requirements under the Proposed Ordinance that require a hotel to have consistent hotel rental rates set by the hotel operator. Owners at Beach Villas have been advised that owners getting together and setting rates between owners would be a violation of rate fixing laws. Therefore, when the Planning Commission revises the definition of TVU to exclude hotels they should also explicitly include condominium hotels and condominiums in a resort zone as properties that should be excluded from the definition of TVUs. Hotels, condominium hotels, and condominiums in a resort zone should be explicitly given the power to participate in short term rentals. This is consistent with current practice, the purpose of the Proposed Ordinance, and the Purpose of the Resort zone.

Chapter 8 (Real Property Tax). The Beach Villas is already regulated by Chapter 8 and owners that have short term rentals in this Resort zone already are classified as Hotel and Resort and pay this rate for property taxes. The same is true for other condominiums in resort zones on Oahu. See, Section 8.71, 8.75. There is no reason to not exempt condominiums in a Resort zone from the definition of TVU and permit them to have short term rentals by virtue of the Resort zone.

The Beach Villas was subject to design and building requirements of a condominium property built in a Resort zone. Accordingly, there is amble onsite parking provided for owners and guests. Although there is a nexus to occupancy rules for TVUs in residential neighborhoods there is no nexus for properties in the Resort zone. These occupancy restrictions should not be imposed on hotels,

condominium hotels, or condominiums in a Resort zone. Although there is a valid reason for imposing the use and development standards on TVUs in residential neighborhoods there is no valid reason to impose those standards inside the Resort zone. See, Proposed Sec. 21-5.730.3.

## III. Preserve the right for short term rentals in a Resort zone.

The Proposed Ordinance should be revised to explicitly allow for STRs by all hotels, all condominium hotels, and condominiums that are located in a Resort zone and that do not have HOA restrictions against STRs. These properties should be excluded from the definition of TVUs. To do so preserves existing laws and rules, is not contrary to the stated purpose of the Proposed Ordinance, and is consistent with the purpose of the Resort zone.

Mahalo for your consideration.

Jim Tree

From: Mike S [mailto:mikelaoc@gmail.com] Sent: Tuesday, August 31, 2021 7:55 AM

To: info@honoluludpp.org

Subject: Public Comment Regarding Bill Relating to Transient Accommodations

CAUTION: Email received from an EXTERNAL sender. Please confirm the content is safe prior to opening attachments or links.

# TO: Members of the Planning Commission SUBJECT: Public Comment Regarding Bill Relating to Transient Accommodations

Dear Planning Commission members

I am very concerned about your bill relating to transient accommodations. According to this bill," the purpose of this ordinance is to better protect the city's residential neighborhoods and housing stock from the negative impacts of short-term rentals."

This bill illegally takes the choice away from property owners to choose their own property manager. This only benefits the hotels and punishes property owners and renters. Forcing a property owner to use a hotel manager does not protect residential neighborhoods. All of my Waikiki condos are in the "resort zone" and not in residential neighborhoods. If property owners are forced to only use hotel management companies there are only negative effects to everyone except the hotel management companies. The property owner's profit will go down, service will go down, and rental rates will go up. It's a lose lose situation unless you are a hotel management company.

Please reconsider your bill and if the goal is to protect residential neighborhoods and not hotel management companies, I suggest you either re-write the bill or drop it.

Sincerely

Mike Solton 949-293-4313 From: Lisa Vlachakis [mailto:lisavlachakis@outlook.com]

Sent: Tuesday, August 31, 2021 7:26 AM

To: info@honoluludpp.org

Subject: DPP STR Draft Bill - written testimony

CAUTION: Email received from an EXTERNAL sender. Please confirm the content is safe prior to opening attachments or links.

#### Aloha,

I'm writing to ask that you please reconsider the proposed 180-day minimum stay for rentals. This will gravely affect traveling professionals including nurses, who need housing while taking contracts on our island. They typically have 13-week contracts and would not meet the 180-stay minimum requirement. I understand the need for cutting back on true vacation rentals (less than 30 days) in residential neighborhoods, but our traveling professionals are here because there is an unmet need in the community. They are here to work and contribute. Often, they are on call and need to be within 30 minutes of the hospital. My property is near Queen's Medical Center West Oahu. I recently listed my property and get 2-3 inquires a week. Hotels do not meet the needs of these travelers. Some travel with a partner, family, or pet, and they don't want, or can't afford, to stay in a hotel for 3 months. With the ongoing Covid crisis, now is not the time to decrease available housing for those who provide critical care to our community.

In addition to travel nurses, I've gotten inquiries from students and locals who need a temporary place to stay. You are taking away the freedom from those who need the flexibility of a month-to-month lease. If your concerned about STRs being disruptive to the character and fabric of our residential neighborhoods, then enforce the laws that are already in place. Those looking to stay 30+ days are not those looking to come to Oahu to be disruptive. They are looking to join and contribute to the community.

This bill is also detrimental to the residents of Hawaii. We have been operating within the law, and the County of Honolulu should uphold its end of the deal. This bill drastically expands hotels interests while choking out individual property rights. The bill imposes ownership, operations, and financial hurdles and restrictions on us and gives corporate hotels the right to operate without the same restrictions and send tourism revenue to the mainland. It's disgraceful.

Mahalo for your kokua, Lisa Vlachakis From: Leo Vlachakis [mailto:leonidasvlachakis@gmail.com]

Sent: Tuesday, August 31, 2021 7:32 AM

To: info@honoluludpp.org

**Subject:** Draft Memo Proposing Amendments

CAUTION: Email received from an EXTERNAL sender. Please confirm the content is safe prior to opening attachments or links.

Aloha Planning Commission,

This email is about the STR Ordinance Draft to be discussed tomorrow adjusting the 30-day minimum stay to a 180-day minimum stay. We provide short term housing to travel nurses that are usually on 13 week assignments. During these unprecedented trying times, the need for short term housing outside of vacation destination areas has been necessary. Many traveling nurses seek accommodations that are close to their hospital and within the community and not in hotels. Most traveling nurses are seeking stays that would not be possible with the 180-day minimum stay requirement that is proposed. This draft would be detrimental to the needs of nurses and other health professionals on these essential assignments. Please reconsider the proposal taking these factors into consideration before adjusting the minimum stay requirement. Thanks for your time and consideration.

Respectfully yours,

Leo Vlachakis Ewa Beach From: fotobabyinfo@gmail.com [mailto:fotobabyinfo@gmail.com]

Sent: Tuesday, August 31, 2021 7:02 AM

To: info@honoluludpp.org

Subject: Honolulu planning commission discussing STR restrictions

CAUTION: Email received from an EXTERNAL sender. Please confirm the content is safe prior to opening attachments or links.

Dear Sir, Madam,

Hawaii has been Tourist dependent for many many years, increasing rapidly since the end of World War II, and after the decline of its Agricultural output, although this and other industries are on the rise, Tourism remains Hawaiis largest industry and it should be nurtured with careful hands so as much money can come into the Hawaiian islands local economy as possible.

People who can come here for extended stays are looking for the cheapest options in order for them to be able to afford it. \$3,4 and \$500-plus dollars a night hotels are definitely not an option. And if this is their only option, they will not come. A locally owed condo with rates as low as \$70-\$100 a night makes this the only option for them. Whilst here, they obviously spend their money locally on food and the variety of entertainment available to them. Thats good money all going into Hawaiis economy. Needless to say the money the condo owner earns from this, is also good tax dollars into Hawaiis economy. All this is lost if the affordable option of renting condos are taken away and they don't come here. What is the point of making it so people go elsewhere, that's decidedly NOT GOOD BUSINESS.

Because of the Covid restrictions that are still in place, many Asian visitors are presently not able to come. This will remain the case even after the restrictions are lifted for a few years yet, until we see the sort of Asian visitor numbers we were use to, pre-Covid.

Therefor it is essential that the local economy be boosted as much as possible by USA mainland visitors. These people have also been affected by the loss of income during Covid and affordable accommodation is exactly what they are looking for. Taking these options away is just madness.

Its all very well for Hotel lobbyists to scream about their loss of income and try to help ban local business owners from renting out their condos, but for local condo business owners who abide by the law renting their places, this can be their only income and we should strive to take care of local people who use their properties as a business and are an essential part of the economy.

Banning the use of short and extended stays in condos only puts the owner on the increasing list of the unemployed. Thats money OUT not IN.

What else do you need to know?

Graham Price

Sent from my iPhone

From: condoinwaikiki@gmail.com [mailto:condoinwaikiki@gmail.com]

Sent: Tuesday, August 31, 2021 7:04 AM

To: info@honoluludpp.org

Subject: Honolulu Planning Commission Discussing STR Restrictions

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Stephanie Price 1-808-421-9658

I have 4 issues to voice to support not implementing this new ruling.

- 1. Condos fill a need for those whose vacation/business is longer than a normal stay and for which a hotel and its prices are not an option. People coming here on business, people migrating to the islands for work, people traveling long distances for which a normal vacation length doesn't make sense. When I came to Oahu 20 years ago I was put up by my company in a condo for a month whilst I found a permanent rental, they would not have done this if they would have had to spend out for the exorbitant prices of Oahu hotels. This will discourage the much needed migration of people to the islands with the diverse skill sets it needs if it is not going to be so "Tourism Dependent".
- This law will stop only those that are operating legally and paying taxes, those that are doing it underhandedly will continue, resulting in lost revenue in taxes and an increase in substandard accommodation.
- 3. It will decrease revenue for shops, supermarkets, restaurants and activities, these long term visitors spend.
- 4. If Hawaii was really interested in improving the experience for travelers then it would make a bigger better effort at cleaning up its image. The ever increasing homeless and their campsites littering doorways, parks and streets. The graffiti and the bordered up shops and homes makes Hawaii look like any socially deprived and depressed inner city slum. When I came here 20 years ago from London we were surprised and delighted by the lack of graffiti, advertising signs and homeless that are so prevalent in London- now you can hardly tell the difference. The homeless scare visitors, maybe without cause but even so they do, it's a mindset. The way to make everyone happier is to clean up Hawaii!

From: Rex Bentley [mailto:onerexer@yahoo.com]

Sent: Tuesday, August 31, 2021 7:23 AM

To: info@honoluludpp.org

Subject: Opposing Revisions by DPP to STR Draft Bill

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Please find attached my letter opposing revisions to STR Draft Bill.

If this bill was to pass, I would lose my Carpet Cleaning Business.

My Customers are Vacation Rental Businesses in Waikiki.

If you force them to close then I would have to close also as i'd have no income.

Geoffrey Rex Bentley

To whom it may concern,

Regarding the proposed Amendments to Chapter 21 (Land Use Ordinance), Revised Ordinances of Honolulu (ROH)1990, as Amended, Relating to Transient Accommodations, I hereby submit my comments and testimony in opposition.

I fully support enforcement actions against illegal Short-Term Rental operators. There is no need to change the definition from 30-days to 180-days, and I support every effort to properly enforce the 30-day minimum.

The draft Bill plans to ban the legal 30-day minimum vacation rentals in Apartment Precincts in Waikiki. I oppose this Bill for the following reasons:

- 1. There are people on Oahu who need rentals of less than 180-days. These uses include:
  - · Families from out of State that are taking care of loved ones
  - · People moving to Oahu and looking to buy a home
  - · Families who are waiting for their new home to complete construction
  - Government contract workers
  - · Traveling nurses
  - · Military PCS while looking for a home to buy
  - · Home Sellers who need to rent until they find a new property
  - · Film and TV crews while on a shoot

Those people don't need or want to stay at ocean front hotels paying expensive accommodation fees. There should be an option for them to stay at condos less than 180 days with affordable rates. This also benefits Hawaii's economy.

2. Some buildings in Apartment Precincts in Waikiki ban 30-day vacation rentals in their Building Bylaws, while there are some buildings that allow 30-day vacation rentals. If the purpose of this Bill is to protect neighbors, why not let Owners Associations decide by allowing their input? I do not believe the DPP should override those owners' rights and implement such a one-sided standardized rule ignoring each building's owners' opinion and right to decide.

While it is understandable banning illegal vacation rentals in more quiet "residential" neighborhoods such as Kailua or Hawaii Kai, it makes no sense for Waikiki. Waikiki is unique as a successful tourism destination, with many local businesses, restaurants, and shops, that depend on tourists. Healthy successful tourism needs a variety of accommodations that provide options to visitors. With this proposed Bill it is narrowing accommodations to only local residents with long term 180-day leases, who will not contribute to the special businesses aimed at tourism and income for business owners and the state of Hawaii.

It is obvious that this Bill is aimed to help the Hotel Industry in Waikiki. It does not benefit Oahu by providing healthy competition as it only promotes the vested interest of the Hotel industry and its revenue.

I also oppose this Bill for the following reasons:

1. Condo-Hotel properties MUST be operated by the Hotel: There are no illegal vacation rentals in condo- hotels. They are zoned as Hotel/Resort and many privately owned. I'm not a lawyer, but I think it may violate antitrust laws (In the United States, antitrust laws are a collection of federal and state government laws that regulate the conduct and organization of business corporations and are generally intended to promote competition and prevent monopolies). I cannot see any rationale in this move other than monopolizing the tourism market by protecting the hotel industry's interest and destroying legal property management companies.

Competition in this industry is vitally important to keep improving Hawaii's accommodation services and attracting visitors to Hawaii. Competition results in better service, better property management with increased tax income to the State that benefits all local residents.

2. At the City and County level, this bill will affect the market value of many properties. Affecting these values will affect tax revenues and their ultimate use.

There should be other ways to stop illegal vacation rentals or solve the issue of the shortage of housing for local residents.

Letting the Hotel Industry monopolize the Oahu's accommodation options will result in a ruined economy.

Name	Geoffrey Rex Bentley	
Date	Aug 30 2021	<u>.</u>
Signature	Goallman P Routlon	

From: chris Johnson [mailto:cjohnsonhi@yahoo.com]

Sent: Tuesday, August 31, 2021 7:21 AM

To: info@honoluludpp.org

Subject: We oppose changing the definition of TVU's from 30 to 180 days

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#### To Who it My Concern,

As a retiree and a disabled person who travels to visit family and friends and who participates in long term rentals to supplement my income and make it possible to maintain my primary residence in Hawai'i I oppose the change of definition of Temporary Vacation Units from 30 days to 180 days. This change in definition I feel would violate my rights as a homeowner to make reasonable of my property, my investment. As I have owned this property in excess of 20 years and it's use as an occasional rental to supplement my income and allows my to keep the property. I understand that the visitor industry and in particular the Hotel lobby has an strong interest in changing the definition of TVU's from 30 days to 180 days. Doing so imperils my financial well being, violates my ability as a homeowner to make reasonable use of my property and jeopardizes my ability to continue to afford my home.

THANK YOU FOR YOUR ATTENTION TO THIS MATTER,

Chris Johnson, MD

Sent from Yahoo Mail for iPad

From: Christina Squires [mailto:squires christina@yahoo.com]

Sent: Tuesday, August 31, 2021 6:27 AM

To: info@honoluludpp.org

Subject: Opposing DPP bill on transient units

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I am writing to oppose the bill trying lesson/eliminate transient accommodations.

I own a unit in the Hawaiian Monarch. I am not a big hotel and I don't make a bunch of money renting my unit out short term. This is a long term goal for me. This is my children's college saving plan and hopefully part of my retirement plan. The Hawaiian monarch is not set up for long term renters. These are very small units and most have no kitchens. It was originally built as a hotel and the rooms definitely reflect that. This isn't a business for me. Like most Hawaii residents that have short term rentals, it's one of the ways I hope to be able to pay for my children's college and one day to retire here. Not to mention the countless local people you would be putting out of business. The maintenance workers, property management companies, cleaning services who the majority of cleaners are moms, women and students. This money stays here and is put back into the community. Short-term rentals not only offer accommodations for visitors who can't afford hotels, but also provide decent and affordable opportunities to others. We have had traveling medical staff, local residence, people coming to care for a sick family member, contract workers, students, relocated military, among others needing temporary housing. Those who have purchased or operated within the law have made their commitment to compliance; the County of Honolulu should uphold its end of the deal. This bill drastically expands hotels interests while choking out individual property rights. The bill imposes ownership, operations, and financial hurdles and restrictions on TVU operators while at the same time giving corporate hotels unfettered right to operate without the same restrictions.

Many people are able to afford homes here through short-term rentals. Money spent outside of resort zones tend to remain in those neighborhoods rather than flow offshore. Conversely, prohibiting short term rentals in outlying neighborhoods negatively impacts local economies. Don't pass this bill that would severely financially hurt our locals. Please support the local people.

Aloha

Christina Squires 808-546-0383 From: Daniela Andrade [mailto:andraded@hawaii.edu]

Sent: Tuesday, August 31, 2021 6:26 AM

To: info@honoluludpp.org

Subject: Written Submission for Upcoming STR Meeting

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Aloha, I humbly come here to ask the government to NOT disallow 30 day stays on Oahu. I've been following the news over the years and the developments on vacation rental regulation and it's been very disheartening. I'd like to share our story and opinion.

My husband and I bought our house 6 years ago, after much struggle over the 2 years that preceded that. It's no secret that Hawaii is a very expensive place to live and our family is here, our values are here and we don't want to be squeezed out of living in our home.

Most hosts do so because they need help paying their high mortgages, not because they're greedy like many people say. I know that's the case for us and other hosts we know. If it wasn't for the ability to rent out a room or 2 in our house we would have defaulted on the payment a few times in the past 6 years and possibly lost our home. Not to mention how our quality of life would have suffered greatly having to put all our resources solely towards paying the mortgage.

Most people feel intimidated to share the positive sides of hosting. Most people that host rooms and studios do so to help pay for their mortgage and they keep a close eye on their guests' behavior. I have never had a single complaint from my neighbors resulting from any of the hundreds of guests I've hosted. Our neighbors are happy with the arrangements as they can have friends and family stay to close when they visit, our family gets to live more comfortably in this extremely expensive place, the state receives more tax revenue, and the guests leave with an extremely positive image of hawaii, after experiencing real 1 on 1 Aloha from us hosts and also the local community that also benefits from the services they provide these guests.

I think everyone agrees that some regulation was definitely needed as so many foreigners were buying whole homes and turning them into STRs greatly affecting the residents. I fully support disallowing full home short stays if the owner is not a resident and if they own multiple properties. Only local people should have the opportunity to have an STR in Hawaii and local people should be able to continue renting on a month to month status to help them get by with the high costs of living here. With that said, I think it would be fair if home owners would be allowed to rent their primary home while the go in vacation for a limited number of days per year. That wouldn't be taking anything away from anyone and would positively affect homeowners.

In addition, I think it's a mistake to disallow STRs completely because it's a market directed change. The market defined it because the need existed. All the people against STRs here and in other locations, and possibly even the person reading this letter, stay on STRs when they go out of island. We can all agree that it's more convenient and affordable than hotels and it would hurt everyone if the whole world no longer allowed STRs. A middle ground must be found.

I think if anyone has been greedy here it's the hotels, which have been fully occupied even before the STRs were regulated in 2019. They want to increase their rates even more and not have to compete with homeowners, taking more to themselves even if it means stranding local homeowners and driving residents out of the island. There is a compromise to be made here so that both the struggling homeowners and the hotel unions can be happy, and that is allowing 30 day stays as those do NOT compete against hotels.

What happens when people from other islands have to come here for a few weeks for medical procedures? What happens when someone has to go to a different island for a month long work trip? Or a movie worker has to go to another island for a 4 months? Is it reasonable for these people to stay at over priced and inconvenient hotels, paying fees for everything? Ask yourself as you might be in that situation one day.

I ask to to please protect us homeowners who are just trying to get by. A 30 day minimum is a good compromise as it's not in competition with hotel stays and homeowners can get the much needed help to get by here in Hawaii. Please don't squeeze us out by stranding us financially

Sincerely,

Dani A.

From: Pyles [mailto:kahalabob@aol.com] Sent: Tuesday, August 31, 2021 5:24 AM

To: info@honoluludpp.org

Subject: In Support of DPP's proposed amendments relating to transient accomodations

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Dear Director Uchida and Planning Chair Lee and Planning Commission Members,

We are whole-heartedly in **support** of the Department of Planning and Permitting's proposed <u>amendments</u> to Chapter 21 Land Use Ordinance and Chapters 8 and 21 Revised Ordinances of Honolulu as relating to transient vacation units, bed and breakfast homes and hotels. We agree with the department's findings, analysis and recommendations and applaud this as long overdue.

We have been Kahala residents since 1973, raising three children in what was a wonderful family neighborhood. We have both served on the Waialae-Kahala Neighborhood Board and have testified against vacation rentals in our residential neighborhoods for more than 20 years. Next door to us we have a grandfathered TVR (becoming permitted under questionable circumstances) and one that has operated illegally for 10 years in spite of multiple complaints. Both properties were bought by non-resident entities with the intent of using them as STR's. One is owned by a Japanese Corporation and the other by a California attorney in the name of an LLC. Both own multiple residential properties in the Kahala - Diamond Head area. Both visit Honolulu only a few weeks a year.

This passed April another property next to us sold. The family that lived there had been our neighbors for decades. There are a couple of ohana units on the property as it was built back in 1927 as a family compound. One ohana unit had been rented for more than 20 years to a retired teacher who was 90 when evicted this June. Another small unit had been rented for several years to an autistic young man who worked in the garden shop at Home Depot when he too was evicted this May. The property was bought in the name of an LLC. The eviction letters came from a vacation rental management company. The fear is these residential units are now being renovated so they can be rented as STR's. If true we will be surrounded by short term transient rentals.

We have fewer and fewer neighbors now who reside in Hawaii. We are seeing increasingly more homes being used as vacation rentals whether for a week or 30 days. We live near a pedestrian beach-access and we have never seen the volume of people all day every day, often speaking foreign languages, often on rental mopeds, clearly by conversation non-residents accessing the beach.

With the ability to work remotely, attend school remotely, vacationing for 30 days is increasingly doable and desirable for non-residents. And although the laws were tightened attempting to prevent the flagrant practice of bogus 30-day rental contracts when the actual use period was far less, in reality it is very difficult to enforce. Whether 30 days or 60 days the impact on the neighborhood and our community is the same as outlined in DPP's proposal.

We have great hopes these amendments will be adopted and we can look forward to seeing our residential neighborhoods returned to the residents of Honolulu.

Lucinda and John Pyles

From: Alexandra Avery [mailto:lexi.a@me.com] Sent: Tuesday, August 31, 2021 11:23 AM

To: info@honoluludpp.org Subject: DPP Proposed Bill

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Support for DPP Bill

Aloha Council Members and Chair Tommy Waters,

Mahalo for hearing testimony on this bill. I am concerned that the proliferation of residential vacation rentals is threatening the health and safety of our public, one neighborhood at a time. As you have sworn to protect the health and safety of our island, I am sure you agree that the time to act is now. This bill will be more than a band-aid; it will set the course of tourism toward a new cooperation with residents. We all want to experience aloha. It is not an automatic part of the tourist package but a true and authentic expression of the joy and gratitude of being a part of a community, of sharing that gratitude.

In my neighborhood, half of the houses host illegal vacation rentals, one is a legal B&B, and the rest are either multifamily dwellings or single family. Some are respectful of the noise ordinance, some are very noisy. In our compact neighborhood, rental cars line the street and our neighbors change every few days. Our family home of almost 70 years is a gathering place but there are often no places to park because there is little to no off street parking.

Please pass this bill and restore neighborhoods.

Mahalo,

Alexandra Avery Kailua lexi.a@me.com From: kamakani souza [mailto:kamasouza@gmail.com]

Sent: Tuesday, August 31, 2021 11:11 AM

To: info@honoluludpp.org Subject: DPP STR Draft Bill

CAUTION: Email received from an EXTERNAL sender. Please confirm the content is safe prior to opening attachments or links.

Dear DPP Director and Leadership,

The STR proposal is an attack on my property rights. As an owner of a lodging condo unit in a condo-hotel building in Waikiki, most of my tenants are travelling healthcare workers that are here to help us with this pandemic. They stay for an average of 45 days.

Prior to the pandemic, my unit was in a contract with the building's hotel operator. The hotel was robbing us with fees that were not justified. One of the fees was a 5% royalty on a fictitious monthly income even if my unit was not rented. They based it on the potential income and not the actual income.

I cancelled the contract and have personally been renting the unit out long-term, 30 or more-day stays. This has allowed me to finally make ends meet.

If the short-term rules change from 30 to 180 days, my tenants would not be able to afford coming to 0ahu to help us. They would also not be able to even find accommodations for less than 180-day stays.

Please do not subject me to be forced into a contract with the hotel operator.

Please do not extend the minimum 30-day stay rule.

Both changes would be destructive of all small businesses on Oahu.

Mahalo Nui, Please help the small guys, Malama Pono,

Garwin Kamakani Souza Hawaii State and US Citizen From: Leah Retherford [mailto:leahretherford@gmail.com]

Sent: Tuesday, August 31, 2021 11:33 AM

To: info@honoluludpp.org

Subject: Testimony in support of draft bill to regulate Transient Accommodations

CAUTION: Email received from an EXTERNAL sender. Please confirm the content is safe prior to opening attachments or links.

Dear Members of the City Planning Commission:

I am writing to express my strong support of the draft bill for an Ordinance to Regulate Transient Accommodations.

I was born and raised in Kailua. I currently live in California and return to Kailua on a regular basis to visit my parents. I have witnessed firsthand the negative impacts that the explosion of vacation rentals have had on the community. A major impact has been the loss of rental housing for young people. The proposed bill, if effectively implemented, would free up much-needed housing for our local residents.

Please recommend it to the City Council for adoption.

Thank you.

Sincerely,

Leah Retherford 1021 McKinley Ave., #12 Oakland, CA 94610 Tel.: (858) 205-0411 From: Steve Thiede [mailto:sthiede47@msn.com]

Sent: Tuesday, August 31, 2021 11:28 AM

To: info@honoluludpp.org

Subject: Comments to DPP Proposals on Housing in Waikiki

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My wife and I recently purchased a vacation condo rental (TVU) in Waikiki. We were fortunate because our first renter wanted to stay for six months. We were unable to be there during that six months so it was a perfect fit.

However, almost before our real estate paper work had a chance to dry, we started hearing about some DPP proposed changes to the condo rental market in Waikiki. None of the proposals we have learned about are favorable to our real estate investment in our beloved Hawaii.

The DPP proposals seem to be discriminatory, aimed to demolish the condo rental market in Waikiki. The onerous and discriminatory yearly registration fee of \$5,000.00, followed by a yearly renewal of \$2,500.00, will be a game changer for many TVU owners. Some owners can afford housing in Hawaii because they are able to rent out a condo to supplement their income. Also, the proposal to change TVU rental units from a minimum of 30 day stays to a minimum of 180 day stays will drive many out of the Waikiki market.

The DPP proposals will cause a severe decline in the price of condo homes in Waikiki and will eliminate affordable housing opportunities for tourists who love to visit and work and spend money in Waikiki. As a result the big hotel chains will be benefited and money spent in Hawaii will be spent by these chains outside the state. Many good paying jobs such as housekeeping, property management and service worker will be curtailed or eliminated because the condo rental market will be damaged, if not eliminated.

DPP proposals to "improve and protect residnetial tranquility and increase the number of condo's available for residential use" will not be achieved by demolishing the TVU rental market in Waikiki. The DPP proposals to increase TVU insurance coverage to "commercial grade insurance for each TVU up to \$1,000.000.00" will be the last straw for many TVU owners.

If DPP wants to improve residential tranquility and increase the number of residential condo units in Waikiki they should take a look at the current alcohol consumption laws. Alcohol can be consumed in Waikiki until 2:00 am if a hotel, bar or restaurant has a "bar license" or until 4:00 am if such an establishment has a "cabaret license". It is agreed that there is a lot of noise in Waikiki late at night but it is the hotels, bars and restaurants that benefit by selling liquor until the wee hours of the morning not TVU owners. DPP should look at the current alcohol consumption laws and lower the consumption of alcohol to 12:00 am.

The DPP proposals clearly do not reflect in any way "equal treatment under the law" as they clearly favor the big hotels, hotel chains and restaurants in Waikiki. If any semblance of "equal treatment under the law" is to be achieved, DPP should allow TVU's who are following current regulations/laws to be grandfathered in. Then DPP can more fairly apply new regulations/laws to any future TVU operations in Waikiki.

Thank you.

Charles S Thiede Fairway Villa From: Walt Johnson [mailto:waltandterry@yahoo.com]

Sent: Tuesday, August 31, 2021 11:16 AM

To: info@honoluludpp.org Subject: Public Comment to DPP

CAUTION: Email received from an EXTERNAL sender. Please confirm the content is safe prior to opening attachments or links.

I am attaching a short comment regarding what I consider to be a highly unfair treatment of my property rights as a condo owner in Honolulu. I would appreciate if you would give serious consideration to my request to NOT approve the change of minimum rental period from 30 days to 6 months.

Thank you, Walter Johnson

Long-time Fairway Villa condo owner cell phone: (503) 314-6250

### Aloha:

# **Very Brief History:**

My name is Walter Johnson. I am retired, living on Social Security, my retirement savings, and the rental income I receive from renters in my condo. I have had a very good life, and want it to continue.

I have lived in Hawaii off and on since before Hawaii became a state. I have been officially a "resident" of Hawaii for a number of years now (after having gotten my id card at the DMV). This makes me a proud kama'aina.

I purchased my current condo in Waikiki about 30 years ago. Prior to that I visited Hawaii many times, starting when I was a teenager living with my father in the Diamond Head area during the summers (and living with my mother in Los Angeles during the school year). After my father passed away, I stayed in Waikiki hotels until buying my condo.

Typically, I live in my Waikiki condo during the spring and summer, and then live on the mainland the rest of the year. Occasionally I have spent the fall and winter in Honolulu, as well. In order to make it practical financially (to live in two places), I rent my condo to visitors when I am not on Oahu. To do this, I have always had an on-island legal property manager. I might add that I pay all Hawaiian taxes (General Excise, Transient Accommodation, Property and Income tax). And I have always been a very good citizen, treating people fairly and honestly.

# Key Message:

I love Hawaii, and consider it my real home. However, with this new law being considered by DPP, I may have to leave my Hawaiian home because I will not be able to afford to maintain it (if I cannot rent it to visitors for 30 or 60 days at a time, which is typical for travelling nurses and doctors, for example, as I now do when I am away). And if I rent it for a full year at a time, then I can't live in it (so why have it?). Perhaps this is what the large hotels are trying to achieve? When the law was previously changed requiring me to rent only for 30 or more days, I was not overjoyed, but I live with that without a problem. Changing this to more than 6 months is a completely different (and unfair) issue!

In any event I would like you to consider carefully the <u>UNINTENDED</u> <u>CONSEQUENCES</u> of passing this new legislation. The economic impact

of visitor spending on the island is significant. And it provides employment to lots of locals as well (which is also good). You no doubt know all this. What I cannot fathom is the logic of allowing hotels to be given a monopoly on vacation rentals of less than 6 months. This clearly seems like an attack on my own personal property-rights.

There must be some kind of compromise possible (such as allowing me to qualify for an exemption for whatever reason you choose - my age, my longevity on the island, etc.). I am asking you to treat me as fairly as I've treated others (and therefore please don't approve this highly unfair law change being considered).

Thank you for your attention to my appeal.

Mahalo nui loa.

From: Susan Salm [mailto:suzeandrod@hawaiiantel.net]

Sent: Tuesday, August 31, 2021 11:06 AM

To: info@honoluludpp.org

**Subject:** support Air B & B reduction legislation

CAUTION: Email received from an EXTERNAL sender. Please confirm the content is safe prior to opening attachments or links.

I support the legislation to reduce the number of B & Bs. We need to reduce the number of tourists who come to Hawai'i and controlling the numbers of Air B & Bs is one way to do it.

We have more tourists coming, but they are spending less. We are using up the islands' resources on tourism and most importantly people who live here have a hard time finding a place to rent. Our housing prices are driven up by investors purchases.

Please don't let the minority, those who own these rental spaces, control the decision.

Susan Salm 223 Pauahilani Place Kailua, HI 96734 808,261,2854 From: bbtvu2 [mailto:bbtvu2@aol.com]
Sent: Tuesday, August 31, 2021 12:16 PM
To: bbtvu2@aol.com; Takara, Gloria C

Cc: info@honoluludpp.org; Uchida, Dean; team@rickblangiardiformayor.com

Subject: STRONGLY OPPOSING THE DPP DRAFT.

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>>

>>>>> CHAIR BRIAN LEE AND MEMBERS OF THE COMMISSION.

>>>>> I AM TONIC BILLE.

>>>>>>

>>>>> I DO NOT SUPPORT THE DPP DRAFT REGARDING THE B&B AND VACATION RENTALS TO RENT LESS THAN 180 DAYS AND MANY OF THE RULES IN THE DRAFT. THE TRAVELING NURSES, DOCTORS AND COMPANIES WORK

>>>>> FORCE DO NOT STAY IN HOTELS. VISITORS DO NOT TAKE 180 DAYS VACATIONS .

>>>>>>

>>>>> IT IS NOT REALISTIC TO CHANGE THE RULES FOR TVU OWNERS, WHO ARE RENTING AND RESPECTING THE 30 DAY RULE. A STATE LAW PROTECTS LEGAL

>>>>> PRE-EXISTING USES FROM A CHANGE IN THE ZONING CODE.

>>>>> IT IS MY BELIEF THAT THIS STATE LAW TRUMPS THE BILL.

>>>>> PENALIZING TVU OWNERS IS NOT PROTECTING THAT GROUP, WHO TRUSTED YOU TO BE FAIR AND TREAT ALL RESIDENTS EQUALLY.

>>>>>>

>>>>> I ASK YOU TO CONSIDER THAT THE MAJORITY OF OWNERS, WHO HAVE BEEN ASKING FOR A PERMIT AND REGULATIONS THE LAST 20+ YEARS ... ARE DECENT RESIDENTS, YOURS AND YOUR FRIENDS'S NEIGHBOR AND HAS FAMILIES, CHILDREN, GRANDCHILDREN AND PAY THEIR TAXES.

>>>>>>

>>>>> THEY WERE NOT PREPARED FOR THE HARSH DPP DRAFT SUPPORTED BY THE MAYOR, RICK BLANGIARDI. THEY TRUSTED YOU ALL WOULD BE FAIR AND FINALLY GET A REASONABLE SOLUTION TO REGULATIONS AND ENFORCEMENT....NOT A DEVASTATING BILL AFTER BILL, UNMANAGEABLE TAX AFTER TAX...WHICH IS IN THE END WILL BE A STRUGGLE TO PAY AND IS GOING TO DESTROY THEIR LIVELIHOOD. ..ESPECIALLY RETIRED OWNERS.

>>>>>>

>>>>> DRAINING TAX PAYERS, SO YOU CAN BALANCE THE BUDGET IS NOT THE ANSWER. IGNORING THE BILLION DOLLARS+ THE TAT TAX FROM SHORT TERM RENTALS BRING IN ...IS ASININE, HURTING THE ECONOMY AND BAD BUSINESS. THE PARADOX OF USING OUR PROPERTY TAXES PAYMENT TO HIRE ENFORCEMENT AGENTS IS WILLFULLY CAUSING SUFFERING, WHICH IS SHOWING NO CONSIDERATION OR CONCERN FOR THE RESIDENTS' PEACE OF MIND.

>>>>>>

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>>>>> THANK YOU FOR NOT ONLY LISTENING TO ME, BUT HEARING ME.
>>>>> TONIC BILLE
>>>>> PRESIDENT
>>>>> THE BB*TVU ASSOCIATION OF OAHU
>>>>> 808-262-8286
```

>>

From: james@stuffsf.com [mailto:james@stuffsf.com]

Sent: Tuesday, August 31, 2021 12:16 PM

To: info@honoluludpp.org

Subject: Please register me to speak Sept 1st DPP proposed amendments to Chapter 21

CAUTION: Email received from an EXTERNAL sender. Please confirm the content is safe prior to opening attachments or links.

Please register me to speak Sept 1st DPP proposed amendments to Chapter 21

I'd like to voice my concerns against idea to force me to use hotel program instead of outside professional management as well as not allowing me to stay in my place when not rented without having to pay resort taxes. After being married in Hawaii I bought my retirement home and rental in Waikiki proper with understandings I could rent them out, however now what is happening is wrong. I specifically picked out places that I could rent out.

Thanks

James Spinello

San Francisco, CA 94103 james@stuffsf.com c 415-710-4288



September 1, 2021

Chair Brian Lee Planning Commission City and County of Honolulu 650 South King Street, 7th Floor Honolulu, Hawaii, 96813

### Testimony re: Revisions to Ordinance 19-18 (Short-Term Rentals)

Dear Chair Lee and Members of Planning Commission:

On behalf of Airbnb, mahalo for the opportunity to comment on the Department of Planning and Permitting (DPP) proposed revisions to Ordinance 19-18. For the past four years, Airbnb has worked diligently and in good faith with the City and County of Honolulu in advocating for sensible short-term rental policy that allows our community to be compliant with local laws, and partners to Honolulu's tourism industry. The latest proposal by DPP is deeply disappointing as it completely ignores years of community input, hearing, letters, testimony and negotiations between all stakeholders on this issue.

The Department's revised short-term rental ordinance will hurt local residents who rely on supplemental income from sharing a room in their primary residence. The revisions to Ordinance 19-18 imperils the Memorandum of Understanding (MOU) which Airbnb and Expedia signed in good faith with the City and County of Honolulu in November 2020, less than one year ago. The execution of the MOU took months of negotiations between the Mayor's Office, DPP, Corporation Counsel, and hosting platforms, providing the city effective compliance tools to regulate short term rentals. Instead, the rules set forth in the draft ordinance are rash, fail to articulate a sensible long-term policy on short-term rental accommodations, and most importantly, punish local residents looking to share an extra room in their home to help make ends meet. Provisions in the draft ordinance are a giveaway to hotels at the expense of Honolulu residents.

We urge the Honolulu Planning Commission to please reconsider this ill-conceived proposal and weigh the long-term consequences of approving the revised draft.

#### **Bed and Breakfast Homes**

Throughout the short-term rental discussion of Bill 89, it was widely expressed by policymakers and in staff reports that Bed and Breakfast Homes Hosts were supported by the County, since rentals would be owner-occupied and generally the use was seen as less impactful than Transient Vacation Rentals Units (TVUs). As Section 1 of Ordinance 19-18 states, "Residents are generally comfortable with bed and breakfast homes because an on-site resident manager or owner is responsible for the bed and breakfast home, and can respond to any problems associated with short-term guests." It is worth pointing out that initially, the <a href="https://short-term.rental.omnibus.package">short-term.rental.omnibus.package</a> offered by then Mayor Kirk Caldwell called for unlimited bed and breakfast homes throughout Oahu. After the Planning Commission voted down the Mayor's initial draft proposal in 2018, Bill 89 was amended to allow bed and breakfast homes in no more than 1% per planning district. As Bill 89 progressed through the City Council, the bill was amended to only allow for .05% of housing stock and members of the Council also implemented rules that placed a 1,000 ft. distance requirement buffer between each Bed and Breakfast home.

Unfortunately, under the current proposed amendments, the Department of Planning and Permitting has fully reversed its policy on bed and breakfast homes stating, "STRs are disruptive to the character and fabric of our residential neighborhoods. They are inconsistent with the land uses that are intended for our residential zoned areas, they decrease the supply of long-term housing for local residents throughout the City, and increase the prices and rents of housing, making living on Oahu less affordable for its resident population. Any economic benefits of opening-up our residential areas to tourism are far outweighed by the negative impacts on our neighborhoods and local residents." The Department of Planning and Permitting fails to recognize Bed and Breakfast hosts are primary residents and would require a homestead exemption in order to secure a B&B permit. DPP fails to acknowledge the hundreds of local residents who leverage a portion of their home to make ends meet in one of the least affordable cities in the United States. Moreover, the City has never implemented Bill 89 and the agreed upon enforcement program, so there is no way to know if the B&B program that the City Council and the Mayor supported would work or not.

DPP's reversal on Bed and Breakfast hosts is short-sighted and based on no quantifiable data and insights. Tourism and the visitor industry is the economic lifeblood of Honolulu. Local residents should be able to also enjoy those economic benefits, not just large corporate hotels.

### MOU and Additional Registration

After the passage of Bill 89 and adoption of Ordinance 19-18, to support Honolulu's short-term rental compliance efforts and provide a clear path for our hosts to offer short-term stays, in November 2020 Airbnb signed a Memorandum of Understanding (MOU) with the City and County of Honolulu. As outlined in the MOU, Airbnb created two new fields on host facing listings – one for the City-issued Tax Map Key (TMK) number and another for the Transient Accommodations Tax License Number (TAT) issued by the State of Hawaii. As part of the agreement, every month Airbnb will share a report with the City that includes the URL for each listing and the corresponding host-provided TMK number and TAT number for each property listed on our platform. The City and County of Honolulu will verify the TMK and TAT numbers for compliance. Airbnb hosts that fail to provide a TMK or input an invalid TMK will be removed from our platform and only allowed to relist once they provide the required tax and TMK information.

Airbnb, in partnership with the Department of Planning and Permitting, negotiated terms to ensure the MOU provided the City and County of Honolulu the enforcement tools needed to implement fair and effective enforcement of it's short-term rental rules. The revised proposal imperils the hard work and deliberate action taken by Airbnb to comply with Ordinance 19-18.

The draft amendments call for an additional registration number to be posted on all advertisements, this is in addition to TMK, TAT, and unit number if a listing is located in a multi-unit development. This change will only cause confusion and hurt compliance for hosts and the County alike. The provision completely backtracks on the TMK framework which the County agreed to and serves little purpose for actual enforcement.

Additionally, the DPP's insistence on registering every single TVU including in the resort zones will only cause years of costly bureaucracy and bog down city staff. After passage of Bill 108 in Hawaii County, we warned County officials their lengthy registration process would have an adverse impact on County resources, and our comments were largely ignored. Months later, the County was overwhelmed by its own registration process and in turn, it caused significant delays to other parts of the County's permitting process for non-STR issues. At the same time, Kauai has adopted a compliance system in collaboration with both Airbnb and Expedia which relies on the TMK and works effectively by all accounts. Registering each TVU, which is already allowed by right in resort zones, is extremely time intensive and costly. We urge DPP and the County to thoroughly evaluate this provision with more detail and analysis.

#### **Legal Concerns**

DPP's proposed revisions to Ordinance 19-18 raise significant legal concerns implicating Hawaii state law, the federal Constitution, and state and federal antitrust concerns.

As an initial matter, Hawaii Revised Statutes, Section 46-4(a) states, in pertinent part, that "[i]n no event shall such amortization or phasing out of nonconforming uses apply to any existing building or premises used for residential (single-family or duplex) or agricultural uses." The DPP made clear, in February 4, 2021 testimony to the Hawaii Legislature in connection with proposed amendments to this law (HB 76, 2021), that this provision "disallows the amortization or phasing out of nonconforming residential uses" because short-term rentals "could be interpreted as 'residential uses' and therefore not subject to amortization or phasing out." By DPP's own admission, its proposed law violates Hawaii state law by now seeking to phase out eligible hosted B&Bs in residential zones permitted under Ordinance 19-18.

DPP's aborted implementation of Ordinance 19-18 also raises the spectre of numerous constitutional challenges. With respect to regulatory takings, the proposed prohibitive revisions coupled with the County's abrupt reversal on the legality of hosted B&Bs lend significant support for a judicial finding of a regulatory takings, given the evident significant economic impact, interference with investment backed expectations, and arbitrary government action at issue here. And with regards to equal protection, the proposed revisions are particularly vulnerable. The County's prior embrace of hosted B&Bs and TVUs across all resort districts and applicable A-1/A-2 districts, new approach that permits TVU's in some resort and A-1/A-2 district but not others, and the significant limitations imposed on hosted B&Bs call into question the defensibility of this convoluted and arbitrary land use scheme.

We are concerned that this proposed law subverts the aim of state and federal laws designed to prevent anticompetitive and harmful consumer outcomes. By both diminishing the availability of short-term rentals while simultaneously allowing for more hotels in expanded use districts, the County is acting in a manner that leads to less competition, increased prices, decreased consumer choices, reduced accommodation quality, burdensome limits to travel accommodation entry and expansion, and, ultimately, harm to consumers who benefit from a fair, balanced, and competitive marketplace.

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The City and County of Honolulu, residents, industry leaders, and hosts spent the last four years debating short-term rental policy that meets the needs of Oahu. The latest revisions to land use ordinance completely ignores and bypasses Bill 89's deliberative multi-year process and in turn, MOU agreement with the major hosting platforms. The amendments will only hurt Honolulu's ability to settle long-standing issues such as registration and compliance. We urge the Planning Commission to take these issues into consideration before taking action on DPP's revised short-term rental proposal. Mahalo for the opportunity to comment.

Sincerely,

Adam Thongsavat

Airbnb Public Policy, Hawaii

CC: Dean Uchida, Director, DPP

Adam Thongsarat

Dawn Takeuchi Apuna, Deputy Director, DPP

Dana Viola, Corporation Counsel, City and County of Honolulu

Matt Middlebrook, Airbnb Regional Policy Lead

Ben Lee, Airbnb Regional Policy Counsel

Shane Peters, Peters Communications

Bruce Coppa, Capitol Consultants of Hawaii

#### PUBLIC HEARING ON AMENDMENTS TO TRANSIENT VACATION UNIT RULES

The City administration has proposed reform to manage and **restrict** transient vacation units (TVU), bed and breakfast (B&B) homes.

- New TVUs or B&Bs allowed only in A-1 and A-2 apartment districts located in or near resorts (Waikiki, Gold Coast, Ko Olina & Turtle Bay)
- 759 TVUs and 34 BBs units already permitted can continue operating
- B&Bs and TVUs are defined as less than 180 consecutive days
- B&Bs and TVUs will be placed in new property tax categories
- Real property taxes collected will be used to fund enforcement

The amendments will be heard by the Planning Commission, then later by the City Council. There will be many meetings and testimony is needed.

### Testimony - Sept 1, 2021 hearing

The following is submitted for testimony in reference to the above hearing.

### Opposed to

B&Bs and TVUs will be placed in new property tax categories

Note that B&Bs and TVUS are different types of operations for vacation rentals.

B&Bs are **Residences** that are owner occupied. They are a small business, limited to the number of units that they can rent and do not charges hundreds and thousands of dollars a day.

A TVU are large investment properties that are often run by agents, because owners are off island. Many charge thousands of dollars a day.

By raising the tax rates on both of these types of operations, equal to the hotels, will place the small business residential B&B Hawaiian owners out of business. B&Bs are needed to help the local economy and peripheral types of employment (cleaning, landscape and maintenance services) and local community shops, restaurants and grocery stores. The profit margin for B&Bs is not compared to TVUs and certainly not like the hotels. It would be an unfair to raise the taxes on the B&Bs. If tB\*Bs go out of business employment for these peripheral services will be lost, also the revenue to the community business. In the long run Hawaii State will lose money by raising the taxes on the B&B.

# - Real property taxes collected will be used to fund enforcement

TVU's / B&Bs pay 10.25% Transient Tax, yet they are NOT allowed to use that tax for improvements and get the Tax breaks that Hotels do with the TA Tax. Why is this tax

**not used to fund enforcement?** The current structure of this tax benefits only the hotel industry, and is a tax burden for the TVUs/B&Bs with no benefits. **The TAT money collected for the vacation should be used for enforcement.** 

Thank you for considering these vital points when reviewing the AMENDMENTS TO TRANSIENT VACATION UNIT RULES.

Sincerely,

J. Nielsen

From: Christine Christianson [mailto:christiansonchristine4@gmail.com]

Sent: Tuesday, August 31, 2021 11:42 AM

To: info@honoluludpp.org

Subject: Proposed STR regulations changes

CAUTION: Email received from an EXTERNAL sender. Please confirm the content is safe prior to opening attachments or links.

As a retired, six year home-owning, tax-paying resident who provides needed part-time income for rental agent, caretaker, and house cleaner through my AirBnB rentals, I oppose the suggested changes to the short-term rental regulations.

We own a townhome in Maili Beach. We rent our unit out while we visit family on the mainland 4 months out of the year. The rental income covers our travel expenses. The rental income also helped us to buy our home here before we retired.

We are active members in our community. We are on good terms with our neighbors. Our renters have NEVER caused any problems.

The proposed STR changes seem to benefit only the hotels? Is there a sound reason to eliminate income from the average working/retired person? Haven't times been hard enough with Covid-19?!

I vote to leave regulations as they stand.

----Original Message-----

From: Marilyn Mick [mailto:marilynmick@pobox.com]

Sent: Tuesday, August 31, 2021 12:16 PM

To: info@honoluludpp.org

Subject: Re: I support the proposed New Illegal Vacation Rental Enforcement Bill!

CAUTION: Email received from an EXTERNAL sender. Please confirm the content is safe prior to opening attachments or links.

Aloha,

I am writing in support of this new proposed bill by DPP.

I agree with everything in the Bill and want to see this Bill passed by the Council.

Mahalo, Marilyn Mick Honolulu, HI From: Kandis McNulty [mailto:kandis@mcengineer.com]

Sent: Tuesday, August 31, 2021 8:05 AM

To: info@honoluludpp.org

Subject: Revision to Short Term Bill

CAUTION: Email received from an EXTERNAL sender. Please confirm the content is safe prior to opening attachments or links.

To: Honolulu Planning Commission Re: Amendments to Ordinance 19-18

Thank you for proposing major changes to the short-term rental (STR) ordinance that would have allowed STR's in residential neighborhoods. Historically, the City has been unable to provide enforcement against illegal vacation rentals for over a decade. STR owners have employed high end lawyers to cover for and identify loopholes that have made it impossible for neighbors to turn in violators without becoming stalkers to the comings and goings of numerous rental cars and tourists in their neighborhoods.

I strongly support no new STRs to be permitted in residential neighborhoods and increasing the minimum stay for a rental to 180 days. This will reduce the incentive for short-term rentals as well as reduce the strain on DPP inspectors to investigate and enforce violators of the Land Use Ordinance related to STRs.

Aloha,

Kandis McNulty McNulty Civil Engineering 67-335 Kaiea Place Waialua, HI 96791 808-637-2460 From: Helen Petrovitch [mailto:hpetrovitch@phrei.org]

Sent: Tuesday, August 31, 2021 8:30 AM

**To:** Takara, Gloria C **Cc:** Helen Petrovitch

Subject: DPP STR Draft Bill

CAUTION: Email received from an EXTERNAL sender. Please confirm the content is safe prior to opening attachments or links.

#### To Brian Lee:

I strongly oppose changing the short-term rental period to less than 180 days instead of the current status quo which is 30 days.

Changing the short-term rental time definition from 30 to 180 days is not appropriate because the 30 day definition has been in effect for over 20 years and Oahu citizens have made business decisions such as renovating their homes and adding furnishings based on this definition that entailed considerable business expenditures.

These plans were made in order to conduct business that is completely in accordance with the current zoning laws in the city and county of Honolulu.

Many local residents have been counting on this legal income for years, to maintain their homes and pay their mortgages. Keeping kamaaina in their homes is important.

Additionally, short term monthly rentals make it possible for families to visit relatives, often grandparents visit their grandchildren. Due to the high cost of housing on Oahu, often local families do not have space for visiting relatives. By staying in monthly rentals, visitors can stay close to the family instead of in Waikiki or other resort areas where the prices do not allow for a monthly stay. Also, there are family members and friends who want to spend time with friends or relatives that are ill or hospitalized and these individuals are often unable to afford longer (30 day) stays at hotels.

Allowing Oahu residents to rent out space in their homes once every 30 days allows for a needed, limited resource for visitors, especially those with connections to Hawaii.

# Helen Petrovitch MD,

Scientific Director, VA Pacific Islands Health Care System & VA Central California Health Care System

Address: Pacific Health Research & Education Institute (PHREI)

3375 Koapaka Street, Suite I-540,

Honolulu, Hawaii 96819

Phone: 808 564-5420 Fax: 808 524-5559 From: Michael McNulty [mailto:michael@mcengineer.com]

**Sent:** Tuesday, August 31, 2021 8:32 AM

To: info@honoluludpp.org

Subject: STR Ordinance Revisions

CAUTION: Email received from an EXTERNAL sender. Please confirm the content is safe prior to opening attachments or links.

I strongly support the amendments to ordinance 19-18.

Thank you for once again trying to reign in the tourist commercialization of our neighborhoods. A minimum 6 month rental would easily confirm that the dwelling is being by a resident. The inspectors should be able to verify its use. This sole revision should allow our children and our residents the opportunity to live where they have grown up. Our community will prosper as a whole and once again be a community rather than a transit tourist mecca.

Aloha, Michael McNulty Civil Engineering 67-335 Kaiea Place, Waialua, HI 96791 808.637.2460

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From: Penny Lee [mailto:pennyleeloo@yahoo.com]

Sent: Tuesday, August 31, 2021 8:34 AM

To: info@honoluludpp.org

Subject: Testimony in Opposition to proposed DPP bill

CAUTION: Email received from an EXTERNAL sender. Please confirm the content is safe prior to opening attachments or links.

Testimony in Opposition to proposed DPP bill:

It's outraging to read the twisted hotel industry propaganda that's being emitted through the DPP. For years now the hotel industry has been trying to convince us that vacation rentals are the source of all evil. Recently even a new lobbying group of hoteliers had to come together to "maniacally" work on convincing our government on their main issue: eliminate vacation rentals". Yet all the vacation rentals only use 5% of the housing stock? Hmmm

This DPP bill makes it possible for hotels to expand into new zoning areas and also take over existing condo hotels all over Waikiki to be exclusively managed by hotel corporations and build new resort-based vacation rentals next to their existing resorts. Mayor Blangiardi is trying to sell that this bill will limit the amount of tourists coming here. The truth is quite the opposite.

Housing crisis, really? Vacation rentals help families all over the island to pay their mortgages and monthly expenses and keep their house. These units, even adding all the illegal ones, only use about 5% of the housing inventory. NOW you add to say that they make up 35% of the vacant housing "some people estimate". What does that even mean? How is this even calculated? You should have real numbers. Again many unrelated issues are being linked to vacation rentals that have nothing to do with them. Hawaii has always been an attractive real estate investment for the very rich from all over the world, who can afford to leave their houses and condos empty unless they feel like staying there. They don't have to rent to anybody, not long-term, not short term. What percentage of housing stock is vacant because of that? Do you think that might push up property prices?

Most short-term vacation rentals will not magically turn into long-term rentals because that's not how they are setup. The story line we are supposed to follow here is the same story line the hotel industry has been trying to spread for years now.

As to your point that the STVRs take business away from Hotels. With the same logic we could also now prohibit all small business coffee shops because they take business away from Starbucks. Or disallow small restaurants because they take business away from the restaurants in the resorts. The logic is deeply flawed, UNLESS you are trying to increase the profits for the hotel industry, expand hotel development and eliminate any competition in the transient accommodations sector. You might be surprised to hear this but nowadays in 2021, visitors expect to have a variety of accommodation options. Unfortunately Hawaii has completely sold out to Mega corporate hotel industry. They are making sure they will be controlling the profitable Hawaii market forever into the future, if they can only hold their grip on the local government. So you are suggesting to shutdown small local businesses like vacation rentals in order to benefit the off-shore hotel industry and help them by eliminating any competition. Handing over Waikiki to the hotel industry by zoning regulation. Wonder what Waikiki will look

like in a few more years, sad to see. Reminds me of what happened to the International Marketplace in Waikiki. No Aloha left. No soul left. Total sellout to corporate greed.

Penny Lee

----Original Message----

From: Scott McCaffrey [mailto:drscottymac@gmail.com]

Sent: Tuesday, August 31, 2021 8:41 AM

To: info@honoluludpp.org

Cc: Deborah

Subject: Proposed Amendments to Chapter 21, Relating to Transient Accomodations

CAUTION: Email received from an EXTERNAL sender. Please confirm the content is safe prior to opening attachments or links.

To: Brian Lee, Chair and Members of the Planing Commission

Dean Uchida, Department of Planning and Permitting

Please let this e-mail serve as notification that I would like to submit written testimony in opposition to the Proposed Amendments to Chapter 21 Relating to Transient Accommodations.

First and foremost the Department of Planning and Permitting is currently unable to enforce the regulations that are currently in place.

Secondly the 30 day Transient Accommodation Rule in resort zones is reasonable.

It enables visitors to our islands to stay for a longer period of time, support our local economy, grocery stores, retail stores, restaurants, rental vehicle business, tourist attractions such as Pearl Harbor, Polynesian Culture Center and the beauty of the islands.

Isn't that what we strive for?

Tourist that stay longer and spend more?

Many small business owners, the backbone of hawaii's economic engine, that pay taxes, maintain the upkeep of our infrastructure, have sufficient funds to remain in hawaii by owning and operating a short Term transient rental accommodation should be applauded not penalized. (defined as 30 days)

A 180 day transient accommodation rule is not reasonable nor will it, as your proposed bill claims, eliminate the housing crisis.

There were greater than 180 days when no visitors visited our islands which was an economic collapse of a magnitude not seen since 911.

Now that the economy, after 18 long miserable months, is on the 'Road to Recovery", suggest a change of such magnitude that would further penalize the hard-working residents of the islands.

This proposal has too many broad brush strokes and should focus on (Chapter 8) nonconforming B&B properties that are in residential areas.

Mahalo and Aloha,

Deborah A. Luckett

From: Dave Klenske [mailto:dave@klenske.com]

Sent: Tuesday, August 31, 2021 9:02 AM

To: info@honoluludpp.org

Subject: COMMENT: Planning Commission Hearing on Short-Term Rentals

CAUTION: Email received from an EXTERNAL sender. Please confirm the content is safe prior to opening attachments or links.

#### Dear Planning Commission,

I own and operate a vacation rental in Ko Olina, and have since 2005. I purchased the property specifically to rent out and help pay my mortgage until I can retire and visit often. I maintain a 30 day minimum have an onsite property manager, employ Oahu workers, comply with all current laws and pay my GET and TAT taxes quarterly, in addition to annual property taxes. While I may not be directly affected by all aspects of the legislation since I am in a resort zone, it will affect all owners to some degree and set precedent for even more laws.

I understand that because of a few bad actors (and likely lobbying from the hotel industry) you are considering making new rules changing minimum stay requirements from 30 to 180 days and adding additional restrictions and fees on TVUs in resort zones. Unfortunately, hotels do not work for everyone and there are may reasons to continue to have 30 day rentals.

My current restriction of 30 days minimum rental period by definition limits the amount of time it can be rented. a 29 day gap between guests eliminates nearly a month of rental income. Meanwhile, hotels do not have to abide by those restrictions. 180 day restrictions will result in much less income, much less taxes paid, and lower property values.

180 Days is not a short term rental by common sense definition. I have had guests that included a military member who was due with her baby and wanted a nice place to stay with her family around her delivery time. Another guest was a military couple getting married and wanting to spend some time off base with family members from the mainland who were coming to the wedding. I have had an ocean researcher rent my home for a base during her research on Oahu. A number of guests have been on island to upgrade infrastructure. And families have stayed who've relatives on Oahu and fine there is not enough room in their relative's house to stay. In all cases, hotel rooms were not desired nor suitable. And in all cases a 30 day minimum was fine while a 180 day stay would not work.

While I hopefully will spend more time in my house in Ko Olina when I retire, I see no reason to have to it sit empty when I'm not there. In no way is my renting "removing housing stock from the for-sale and long-term rental markets." I think it's great if it can be used to provide housing for those who want to come and stay for a month or more, but I will not offer long term rentals (as I want to use it regularly). My long-established rights as a lawfully abiding property owner (and taxpayer) continue to be taken away, and the property value of my investment is negatively impacted.

Financially, section 7 take over \$3M in property taxes away from current use to put into a special fund to enforce new laws. Does that mean property taxes will go up to replace this deficit, or will services be cut as a result of creating a new bureaucracy?

PLEASE stop creating more laws and enforce the ones that are in place now. Illegal Short-Term Rentals are just that-Illegal. Making more restrictions for those who operate legally does not solve the problems you are trying to solve.

Respectfully,

Dave Klenske +1.408.829.3283 Kapolei, HI, 96707

## From the Desk of Greg Thielen

August 31, 2021

Brian Lee, Chair
Planning Commission
Department of Planning and Permitting
City and County of Honolulu
650 South King St. 7<sup>th</sup> Floor
Honolulu, HI 96813

Re: Strong Support of the Proposed Bill Relating to Transient Accommodations

Dear Chairman Lee and Members of the Commission,

I was born and raised in Windward Oahu and have lived most of my 53 years here in this community. I have been alarmed to watch the metamorphosis of neighborhoods to mini-hotel districts over the years. A trend that has greatly accelerated with the advent of online platforms such as Air BNB and VRBO. Places that use to house families are now full-time vacation accommodations.

I live on a small street in Kailua with only 12 houses and 4 of them have been used as illegal short-term vacation rentals. That is 1/3 of our streets total housing stock. These are homes that should be occupied by local residents, not as a hotel in our residential neighborhood. While I am sympathetic to those who want to rent a room in their house, that is not how the bulk of these units operate.

The City has allowed this problem to grow and fester to the point that it is an active infection in our communities. It is time to cut that infection out and restore balance to Oahu. While this bill may seem draconian to some, it is necessary to bring the problem under control. Once we retake our neighborhoods we can explore ways to accommodate some of the legitimate concerns raised by opponents of this bill.

Sincerely

Greg Thielen



September 1, 2021

Brian Lee Chair, Planning Commission Department of Planning and Permitting City and County of Honolulu 650 South King St., 7th Floor Honolulu, Hawaii 96813

RE: Testimony on Proposed Bill Relating to Transient Accommodations

Dear Chair Lee and Members of the Commission:

My name is Milo Spindt, Broker-in-Charge of Elite Pacific, LLC. Elite is a locally owned property management firm which manages a variety of rental properties, including long term rentals and transient vacation units. Our units are within the Waikiki, Kuilima, Ko 'Olina Resort Special Design districts, as well as other areas throughout Oahu.

While Elite Pacific supports the enforcement of laws preventing illegal short term rentals, and of tax collection and remittance, we <u>strongly oppose</u> the most recent proposal which favors hotel accommodations. The bill is a significant departure from Ordinance 19-18, where key stakeholders, government officials, and TVU owners came to an agreement on a reasonable approach to address the economic benefits and challenges of transient vacation units. The proposed bill negates the long and painstaking process and the new law adopted in 2019 which has never been properly enforced.

In particular, we are opposed to the following provisions of the bill:

1. We are opposed to the change in the TVU description from less than 30 days to less than 180 days. Section 24 (page 36). Definition of Transient vacation unit.

There are many uses for 30-day rentals that are not just limited to tourism. As licensed real estate professionals, we frequently encounter people on Oahu who need rentals of less than 180 days. These uses include:

- Families from out of State that are taking care of loved ones;
- People moving to Oahu and looking to buy a home;
- Families who are waiting for their new home to complete construction;
- · Government contract workers:
- Traveling nurses;
- Military permanent change of station (PCS) looking for a home to buy;
- · Home Sellers who need to rent until they find a new property; and
- · Film and TV crews while on a shoot.

It is overly broad to include all rentals 30 days or greater as Short-Term Rentals and it will harm many local property owners as well as the tenants that stay in their homes. The 180-day rule would also result in severe harm to locally owned small businesses like Elite Pacific.

Recommendation: We recommend that the less than 30-day limitation on TVU rentals be maintained. As mentioned, Ordinance 19-18 was a workable compromise within the industry and provided a fair and reasonable approach to limit the number of short-term rentals on Oahu. We don't need to change the 30-day minimum to 180 days, we just need to enforce the 30-day minimum.

2. We are opposed to restrictions which limit registration of bed and breakfast and TVUs to only one unit per person, and only by natural persons. Section 18 (page 26). Registration, eligibility, application, renewal and revocation.

The proposed bill adds a new section to the Revised Ordinances of Honolulu requiring registration of bed and breakfast homes and transient vacation units with the Department of Planning & Permitting. In so doing, the bill limits ownership to a natural person, as distinguished from legal persons and legal entities, and limits ownership to no more than one dwelling unit that is registered as a bed and breakfast or transient vacation unit.

It is unreasonable, unnecessary, and a violation of property rights to limit the number of registered TVUs to one unit. Many residents and investors have multiple real estate investment properties which are properly zoned and licensed to be used as TVUs. They purchased them with the ability to operate them as TVUs and the restriction would deprive them of realizing the full value of their assets and investments. Further, real estate ownership should not be restricted to natural persons. It is well established that "persons" can include natural persons, as well as corporations, partnerships, limited liability corporations, and other forms of legal entities, all of which can own title to real property, and which are frequently utilized as an ownership structure for a variety of legitimate reasons.

Recommendation: We recommend that the proposed restriction on the single ownership registered as a TVU be deleted. We also suggest that all persons, including legal entities, be eligible to register a bed and breakfast home or TVU.

3. We oppose the restriction on Condominium hotel unit Owners being required to use the Hotel desk for booking and having to pay full rate for their personal use of their unit. Section 14 (page 23).

The Owner of a private condominium unit should not be required by the government to use the condominium-hotel desk for the management of their unit. Additionally, it is an overreach of government authority and an abuse of private property rights to require those Owners to pay full rate for their personal, family or friends use of their own private real property.

Recommendation: We recommend that these restrictions be deleted from this Bill.

4. We request adding a category for exempting properties owners legally operating under the provision of Ord 19-18. Section 20 (page 34). Exemptions: The following are exempt from the provisions of this Section.

Hundreds of property owners and professionally licensed small businesses have been complying with the rules and regulations established under Ord. 19-18. We have been operating in good faith and awaiting the establishment of the Department's Administrative Rules. All Owners that can provide documentation that they have been operating in good faith under the existing laws should be exempt from any changes that would further restrict or prevent them from continuing business operations.

Recommendation: We recommend that Owners who are currently operating their business in compliance with the rules and regulations of Bill 89 be automatically granted a non-conforming use permit. As such, we recommend that a category be added in Sec. 21-5.730.4 subsection (d) to include an exemption for legally compliant existing owners.

In summary, month-to-month rentals and transient vacation units have been a part of Hawai'i's local economy for decades and they provide income for local families and hundreds of small businesses. We believe there is a better path forward built on collaboration and an enforcement framework that limits vacation rentals in a responsible manner. The proposed bill before the Commission is a dramatic and draconian shift that will virtually eliminate an essential portion of the real estate industry. With proper guidance, restrictions, and collaboration, we believe that month to month rentals and TVUs can continue to play an integral role in Hawai'i's economy.

Thank you for your consideration, and the opportunity to testify on this matter. If you have any questions, please feel free to contact me at 808-631-7602.

Sincerely,

MILO SPINDT Broker-in-Charge From: ana hassegawa [mailto:ana4design@yahoo.com]

Sent: Tuesday, August 31, 2021 9:14 AM

To: info@honoluludpp.org

Subject: TESTIMONY: 30 Day Stay - Short Term Rental

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#### Aloha,

In the name of my family, I desperately come here to ask the government to NOT disallow 30 day stays on Oahu. I've been following the news over the years and the developments on vacation rental regulation and it's been very stressful to think we could lose our home if 30-day stays are no longer allowed. I'd like to testify on the overlooked benefits of short-term rentals, our story, and our opinion.

My husband and I bought our house 2 years ago, we have 4 kids, 2 dogs, and both of us work full time. It's scary to think that even working all day and trying our hardest if we fall ill or lose our jobs we could get squeezed out of our property and be on the streets with our family. Hawaii is a very expensive place to live and 70% of our salaries go towards mortgage. This is a reality and after researching tirelessly, we don't believe the real estate prices would be any lower if short-term rentals were canceled. The housing prices are high everywhere after all.

Like most hosts, we chose to rent out a room out of our home because we need help paying high mortgages, not because we're greedy like many people say. As a matter of fact, I was shocked watching a female politician saying we engage in this activity because we are greedy, what an ignorant statement! I know that's not the case for us and other hosts we know. We are local families trying to stay afloat. If it wasn't for the ability to rent out a room in our house we would have defaulted on the payment a few times in the past 6 months and possibly lost our home. Not to mention how our quality of life would have suffered greatly having to put all our resources solely towards paying the mortgage. Besides paying for our mortgage, any leftover funds are injected into our local economy.

Most people feel intimidated to share the positive sides of hosting. Most people that host rooms and studios do so to help pay for their mortgage and they keep a close eye on their guests' behavior. I have never had a single complaint from my neighbors resulting from any of the guests I've hosted. Our neighbors are happy with the arrangements as they can have friends and family stay too close when they visit, our family gets to live more comfortably in this extremely expensive place, the state receives more tax revenue, and the guests leave with an extremely positive image of Hawaii, after experiencing real 1 on 1 Aloha from us hosts and also the local community that also benefits from the services they provide these guests. We become friends with our guests and they always leave hoping to come back and again spend their hard-earned money in Hawaii in the future.

I think everyone agrees that some regulation was definitely needed as so many foreigners were buying whole homes and turning them into STRs greatly affecting the residents. I fully support disallowing full home short stays if the owner is not a resident and if they own multiple properties. Only local people should have the opportunity to have an STR in Hawaii and local people should be able to continue renting on a month-to-month status to help them get by with the high costs of living here. With that said, I think it would be fair if homeowners would be allowed to rent their primary home while they go on vacation for a limited number of days per year. That wouldn't be taking anything away from anyone and would positively affect homeowners and the local economy in general.

In addition, I think it's a mistake to disallow STRs completely because it's a market-directed change. The market defined it because the need existed. All the people against STRs here and in other locations, and possibly even the person reading this letter, stay on STRs when they go out of the island. We can all agree that it's more convenient and affordable than hotels and it would hurt everyone if the whole world no longer allowed STRs. A middle ground must be found.

I think if anyone has been greedy here it's the hotels, which have been fully occupied even before the STRs were regulated in 2019. They want to increase their rates even more and not have to compete with homeowners, taking more to themselves even if it means stranding local homeowners and driving residents out of the island. There is a compromise to be made here so that both the struggling homeowners and the hotel unions can be happy, and that is allowing 30 day stays as those do NOT compete against hotels.

What happens when people from other islands have to come here for a few weeks for medical procedures? What happens when someone has to go to a different island for a month-long work trip? Or a movie worker has to go to another island for 4 months? Is it reasonable for these people to stay at overpriced and inconvenient hotels, paying fees for everything? And are the hotels injecting their profits into our local economy? No, they are not but I guarantee the local STR owners are. Ask yourself as you might be in that situation one day.

I ask you to please protect us homeowners who are just trying to get by. A 30-day minimum is a good compromise as it's not in competition with hotel stays and homeowners can get the much-needed help to get by here in Hawaii. Please don't squeeze us out by stranding us financially.

Best Regards,

**Ana Hasegawa** PO Box 1254 Haleiwa - HI - 96712 From: Barbora Locquiao [mailto:barboralocquiao@gmail.com]

Sent: Tuesday, August 31, 2021 9:26 AM

To: info@honoluludpp.org Subject: Vacation Rentals

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#### Hello,

I am an owner of three units in Hawaiian Monarch building, a condo-hotel. Without income from vacation rentals, my livelihood will be ruined. I work very hard, remodeling my units, cleaning them.... and paying high commercial real estate tax along with transient tax. Nobody has expressed ridiculousness of the new proposed bill better than our general manager of the building:

My name is Nate Steele, I am the General Manager of the Hawaiian Monarch. I am writing this email in objection to the proposed DPP destroying the vacation rental industry in Honolulu. Giving the Hotels a monopoly on the tourist industry is bad idea. The Hawaiian Monarch was built as a hotel in 1979. We were rezoned sometime later putting us in the apartment precinct. In December of 2018 we were told in writing by the DPP that our entire property was nonconforming and could operate as we always had without fear of losing our hotel status. Now the lively hoods of all of my owners and the hundreds of cleaners and contractors that work in our building every day is being threatened. Our building has 540 units. The usual square footage is 250 square feet. These units were not meant to house people long term as many of them don't have a kitchenette. The only people that have wanted to live in our building long term are drug dealers and prostitutes. This bill will do more harm than good. The State will lose out on all of the extra taxes that my owners pay. My owners are paying 4 times the regular property tax of a residentially zoned property. My owners are paying an additional 10% tax on the income their units generate. These are the taxes you need to stop illegal vacation rentals. The way the bill is written will be literally impossible for any vacation rental to operate legally. The Staff testimony is ridiculous. Locals weren't on the road or beaches because of the lockdown. Schools were closed. Now look at traffic that businesses and schools are open. Waikiki should be left alone. If you don't like tourists or foreigners, then you are living in the wrong State. Anyone that doesn't want to share this beautiful place with the rest of the world is seriously lacking Aloha. Please at least give your 2019 rules a chance before extending the hotel's agenda of squashing the competition so they can form a monopoly and make the dream of visiting Hawaii only available for those that can afford the high Hotel chain rates. Hotel room for the night \$500, or a vacation rental for \$135 a night. How is it legal to limit what people can own and where they can live? Please save our tax money and put it toward something legitimate instead of wasting it fighting the class action lawsuits that will be filed against the DPP and our overlords should they continue to violate our civil liberties. Mahalo

From: Kathy Carey [mailto:kathycarey18@gmail.com]

Sent: Tuesday, August 31, 2021 9:14 AM

To: info@honoluludpp.org

Subject: I oppose changing the definition of TVUs from 30 to 180 days

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Although I fully support enforcement actions against illegal Short-Term Rental operators, there is no need to change the definition from 30 to 180 days. As a real property owner, and a lifelong Hawaii resident, I encounter many peopleon Oahu who need rentals of less than 180 days. People need short term rentals for many reasons, including:

- Families from out of State that are taking care of loved ones
- People moving to Oahu and looking to buy a home
- Families who are waiting for their new home to complete construction
- Government contract workers
- Traveling nurses
- Professionals such college professors working here for a short term such as a semester.
- Military PCS while looking for a home to buy
- Home Sellers who need to rent until they find a new property
- Film and TV crews while on a shoot

This is a very different market than vacation rentals, which are under 30 days. Changing the definition would virtually eliminate this market for the above renters and cause additional hardship on many levels.

I oppose changing the definition of TVUs from 30 to 180 days.

Respectfully, Kathryn Carey 808-342-3901 From: Judy Dancer [mailto:alohajudy13@gmail.com]

Sent: Tuesday, August 31, 2021 9:28 AM

To: Info@honoluludpp.org

Subject: Aloha

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Here is my testimony for the DPP meeting. I am unable to attend in person or via computer....PLEASE READ......

As a SENIOR in Hawaii and home owner I have my long established property rights...and I obey the laws and pay my taxes.

I live on my property...I have a small rental....I used to do vacation rentals..I no longer do that by law. I do however rent to families who come here to work, I rent to families who are looking to buy a home and are in-the in-between times. I rent to Military families who are waiting for housing...I rent to traveling nurses and Doctors. PLEASE DONT STOP THIS SMALL AMOUNT OF \$\$ I LIVE ON... just so the hotel industry can have all the guests. With the Pandemic... travelers don't want Waikiki..they need The suburbs.

I am legal renting for 30 days, as the HAWAII REVISED STATUES CHAPER 521 INDICATE THAT A WRITTEN LEASE IS LEGAL FOR 30 DAYS.

PLEASE DO NOT STOP THIS...IT WILL BE A TRUE HARDSHIP ON LOCAL PEOPLE WHO LIVE HERE, AND IN THESE DIFFICULT TIMES WE NEED TO SURVIVE...

WITH ALOHA

# JUDY DANCER KAILUA <u>ALOHAJUDY13@GMAIL.COM</u> 808-258-3089

From: Jen Holmes [mailto:jen.holmes@compass.com]

**Sent:** Tuesday, August 31, 2021 9:33 AM **To:** info@honoluludpp.org; JOEL CAVASSO

Subject: Written Testimony for Public Hearing RE: Short Term Rentals

CAUTION: Email received from an EXTERNAL sender. Please confirm the content is safe prior to opening attachments or links.

#### To Whom it may concern:

This letter is in regard to my opposition to the new STR draft bill. There are a few items in the bill that do make sense and I can agree with. Those two things are to enforce the current rules/ laws on the books which currently are not really being enforced and are part of the issue. I can also agree with keeping any new permits out of residential neighborhoods. Those are both common sense rules and I think most people will agree with them.

It is also my belief that the hotel owners who wrote that bill are using those common sense issues to hide other laws within the bill that don't help anyone except to make the hotels more money and create a complete monopoly. Removing the income that thousands of residents rely on to survive. May of these people are retired and have no other source of income and hurt them in ways you are not considering.

#### The items in the bill that should be REMOVED are the following.

No rentals under 180 days. This will hurt both the landlord and renters. Landlords are able to charge 25-50% more on a one to three month basis for the convenience a furnished home provides for a few months. Most people that I know doing this are retired and rely on this to live. They lost so much in 2020 when the island shut down without being bailed out like the hotels were and now that government is trying to crush them again.

The renters it will hurt are people within our community such as traveling nurses and doctors, and military families when they first arrive looking for permanent housing, extended families coming to the island for a few months while their grand baby is born, families coming to help elderly parents or move their kids over for college. Hundreds of thousands of people come here for several months of the year for the reasons mentioned and wont if they must stay in a hotel since the cost is too great and will only increase if this bill passes. There have been several times my family has wanted to come visit me but all hotels were booked, that problem will only increase with this bill. It is also unfair to the thousands of people who purchased units to stay in for a few months here and there throughout the year and rent out the other months. Changing the rules without grandfathering in or without the state compensation should be illegal as it is definitely wrong.

The section on condo hotels where A. the unit owner can no longer live in their unit as owner occupant, B the owner cant manage the unit or pick their property manager and C the unit owner cant vacation in their unit unless they market rates and all taxes. These should all be removed from this bill. This section is clearly only written for the benefit of the hotel's pocket book. If the bill is trying to provide more units for residents why would we take away long term units? I know people who bought units at places like the Ritz and Trump towers to live in full time and now you are going to evict them per this bill? How does it make any sense that someone who paid hundreds of thousands to multi millions for a unit that they can no longer use or make any money off of? If the hotels become the only managers any and all profits will go to the hotels, not the individual investor who spent the money to purchase the unit. This entire section needs to be removed and is only a move from greedy hotel owners who are trying to acquire more units for themselves without any cost to them. It is wrong.

As I said in the beginning there are a few common sense items that most everyone can agree on but the rest of it is going to make all investors run from the island for states that are more business friendly. Currently 50% of the island are renters and depend on investors to make those units available for them to rent, most of those people will never be able to afford to purchase their own home and if you chase away investors there will be even fewer units to rent than before. I have several clients that won't buy here anymore if this bill is passed the way it currently stands. This bill is reckless to the financial wellbeing for all homeowners, investors and property managers.

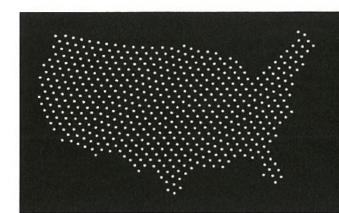
Thank you, please confirm receipt of this email.

Joel L Cavasso 808-216-9988

With Aloha,

Jen Holmes

Executive Assistant | The Cavasso Group Joel Direct: 808.216.9988



Delivering a modern real estate experience from coast to coast.

# expedia group

September 1, 2021

Aloha Chair Lee and Members of the Planning Commission,

I am writing on behalf of Expedia Group, a family of travel brands, including vacation rental leader Vrbo. As part of our ongoing commitment to sustainable, balanced regulation of the tourism industry, Expedia Group is proud to have recently entered into an agreement with Honolulu to help enforce local laws, including the removal of illegal listings from our platform. In that same spirit of cooperation and balance, Expedia Group strongly opposes proposed amendments relating to transient accommodations contained in The Department of Planning and Permitting's (DPP's) transmission to the Planning Commission dated August 13, 2021.

Vacation rentals are a critical part of the travel ecosystem. They provide an essential option for travelers by providing the opportunity to enjoy our Islands' cultures in a more personal setting. They are important for military families relocating and homeowners remodeling a home, in addition to providing a cost-effective solution for local families visiting with or traveling to care for their 'ohana.

DPP's proposal as introduced would effectively ban vacation rentals across the Island. It unfairly advantages large multinational hotels over local homeowners who seek to welcome travelers to O'ahu and punishes traveling families, students, and other guests who may not be able to afford comparable accommodations without vacation rentals. This is especially ill-advised at a time when travelers—and the CDC—are recognizing vacation rentals as an important part of healthy travel.

We understand and are grateful that the DPP Director has suggested some amendments to reduce the negative impact of this proposal. While <u>these amendments are a step in a positive direction</u>, the underlying proposal remains deeply problematic.

As the STR regulatory moves forward, Expedia Group is committed to working with you to develop a solution that balances <u>all</u> community needs and make the rules workable and enforcable. We urge DPP, Council, and Planning Commission to work with the local vacation rental community, including Expedia Group, to craft a sustainable and responsible solution.

Mahalo for allowing us to share our perspective.

Sincerely, Max J Sword



From: paola grover [mailto:paola2550@outlook.com]

Sent: Tuesday, August 31, 2021 9:42 AM

To: info@honoluludpp.org

Subject: Public Testimony: The negative impact of any changes regarding TVUs.

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Paola Shick 808 352-5687

Against the bill.

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Paola Grover CEO MDTech Solutions Paolax 1@me.com (808) 352-5687 Consulting Solutions

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-----Original Message-----

From: Fumiko Crowley [mailto:fcrowl@aol.com]

Sent: Tuesday, August 31, 2021 9:40 AM

To: info@honoluludpp.org Subject: DPP amendment

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opening attachments or links.

We support DPP amendment to chapter 8 and 21

Sent from my iPhone

From: Alana Chun [mailto:cottage0517@gmail.com]

Sent: Tuesday, August 31, 2021 10:06 AM

To: info@honoluludpp.org

Subject: Draft Bill for Short Term Vacation Rentals

CAUTION: Email received from an EXTERNAL sender. Please confirm the content is safe prior to opening attachments or links.

As a concerned homeowner of a rental property in Waikiki the attached letter addresses our concerns to change minimum stays from 30 days to 180 days.

Thank you for hearing our concerns.

Alana & Jeffrey Chun

To whom it may concern,

Regarding the proposed Amendments to Chapter 21 (Land Use Ordinance), Revised Ordinances of Honolulu (ROH)1990, as Amended, Relating to Transient Accommodations, I hereby submit my comments and testimony in opposition.

I support enforcement actions against illegal Short-Term Rental operators. There is no need to change the definition from 30-days to 180-days. I support every effort to properly enforce the 30-day minimum.

The draft Bill plans to ban the legal 30-day minimum vacation rentals in Apartment Precincts in Waikiki. I oppose this Bill for the following reasons:

- 1. There are people on Oahu who need rentals of less than 180-days. These uses include:
  - · Families from out of State that are taking care of loved ones
  - . People moving to Oahu and looking to buy a home
  - Families waiting for their new home to complete construction
  - · Government contract workers
  - · Traveling nurses
  - · Military PCS while looking for a home to buy
  - · Home Sellers who need to rent until they find a new property
  - · Film and TV crews while on a shoot

Those people don't need or want to stay at ocean front hotels paying expensive accommodation fees. There should be an option for them to stay at condos less than 180 days with affordable rates. This also benefits Hawaii's economy.

2. Some buildings in Apartment Precincts in Waikiki ban 30-day vacation rentals in their Building Bylaws, while there are some buildings that allow 30-day vacation rentals. If the purpose of this Bill is to protect neighbors, why not let Owners Associations decide by allowing their input? I do not believe the DPP should override those owners' rights and implement such a one-sided standardized rule ignoring each building's owners' opinion and right to decide.

While it is understandable banning illegal vacation rentals in more quiet "residential" neighborhoods such as Kailua or Hawaii Kai, it makes no sense for Waikiki. Waikiki is unique as a successful tourism destination, with many local businesses, restaurants, and shops, that depend on tourists. Healthy successful tourism needs a variety of accommodations that provide options to visitors. With this proposed Bill it is narrowing accommodations to only local residents with long-term 180-day leases, who will not contribute to the special businesses aimed at tourism and income for business owners and the state of Hawaii.

I believe this Bill is aimed to help the Hotel Industry in Waikiki. It does not benefit Oahu by providing healthy competition as it only promotes the vested interest of the Hotel industry and its revenue.

I also oppose this Bill for the following reasons:

1. Condo-Hotel properties MUST be operated by the Hotel: There are no illegal vacation rentals in condo- hotels. They are zoned as Hotel/Resort and many privately owned. I'm not a lawyer, but I think it may violate antitrust laws (In the United States, antitrust laws are a collection of federal and state government laws that regulate the conduct and organization of business corporations and are generally intended to promote competition and prevent monopolies). I cannot see any rationale in this move other than monopolizing the tourism market by protecting the hotel industry's interest and destroying legal property management companies.

Competition in this industry is vitally important to keep improving Hawaii's accommodation services and attracting visitors to Hawaii. Competition results in better service, better property management with increased tax income to the State that benefits all local residents.

2. At the City and County level, this bill will affect the market value of many properties. Affecting these values will affect tax revenues and their ultimate use.

There should be other ways to stop illegal vacation rentals or solve the issue of the shortage of housing for local residents. Letting the Hotel Industry monopolize the Oahu's accommodation options will result in a ruined economy.

Name

Date

Signature

To whom it may concern,

Regarding the proposed Amendments to Chapter 21 (Land Use Ordinance), Revised Ordinances of Honolulu (ROH)1990, as Amended, Relating to Transient Accommodations, we hereby submit our comments and testimony in opposition.

From a personal perspective, we are retired Hawaii residents who are owners of a short-term condo-tel rental unit (without a NUC) in the Aston Waikiki Sunset. We purchased this unit to provide extra retirement income. However, when the minimum stay for this unit was extended to 30 day, our income was reduced by 75%. We are currently experiencing a significant loss, as this income does not cover out mortgage, maintenance fees, and taxes (TAT, GET, property). Extending the minimum stay to 180 days would render our unit unable to be rented, because it was designed as a hotel condo, and not suitable for long-term living. Additionally, the value of this property would me drastically reduced.

We fully support struct enforcement actions against illegal Short-Term Rental operators. There is no need to change the definition from 30-days to 180-days, and we support every effort to properly enforce the 30-day minimum.

The draft Bill plans to ban the legal 30-day minimum vacation rentals in Apartment Precincts in Waikiki. We oppose this Bill for the following reasons:

- There is a need on Oahu for rentals of less than 180-days. Such needs include, but not limited to:
  - Neighbor island residents visiting friends and relatives on Oahu
  - Families wanting to enjoy an affordable vacation in Hawaii
  - Families from out of State who are taking care of Hawaii loved ones
  - Those moving to Oahu and looking for a home to purchase
  - Those waiting for their new home to complete construction
  - · Government contract workers
  - Traveling nurses
  - · Military PCS while looking for a home to buy
  - Home Sellers who need to rent until they find a new property
  - · Film and TV crews while on a shoot

Those people don't need, want, or can afford to stay at ocean front hotels paying expensive accommodation fees. There should be an option for them to stay at condos less than 180 days with affordable rates. This also benefits Hawaii's economy

Drastically limiting the vacation rental market would have a substantial negative impact on the entire Hawaii economy, as far fewer visitors would be able afford travel to Hawaii, or could be accommodated in the remaining available units.

Some buildings in Apartment Precincts in Waikiki ban 30-day vacation rentals in their Building Bylaws, while there are some buildings that allow 30-day vacation rentals. If the purpose of this Bill is to protect neighbors, why not let Owners Associations decide by allowing their input? we do not believe the DPP should override those owners' rights and implement such a one-sided standardized rule ignoring each building's owners' opinion and right to decide.

While it is understandable that banning illegal vacation rentals in more quiet "residential" neighborhoods such as Kailua or Hawaii Kai, it makes no sense for Waikiki. Waikiki is unique as a successful tourism destination, with many local businesses, restaurants, and shops, that depend on tourists. Healthy successful tourism needs a variety of accommodations that provide options to visitors. With this proposed Bill it is narrowing accommodations to only local residents with long term 180-day leases, who will not contribute to the special businesses aimed at tourism and income for business owners and the state of Hawaii.

It is obvious that this Bill is aimed to help the Hotel Industry in Waikiki. It does not benefit Oahu by providing healthy competition as it only promotes the vested interest of the Hotel industry and its revenue.

We also oppose this Bill for the following reasons:

• Condo-Hotel properties MUST be operated by the Hotel: There are no illegal vacation rentals in condo- hotels. They are zoned as Hotel/Resort and many privately owned. I'm not a lawyer, but I think it may violate antitrust laws (In the United States, antitrust laws are a collection of federal and state government laws that regulate the conduct and organization of business corporations and are generally intended to promote competition and prevent monopolies). I cannot see any rationale in this move other than monopolizing the tourism market by protecting the hotel industry's interest and destroying legal property management companies.

Competition in this industry is vitally important to keep improving Hawaii's accommodation services and attracting visitors to Hawaii. Competition results in better service, better property management with increased tax income to the State that benefits all local residents.

 At the City and County level, this bill will affect the market value of many properties. Affecting these values will affect tax revenues and their ultimate use.

There should be other ways to stop illegal vacation rentals or solve the issue of the shortage of housing for local residents.

Letting the Hotel Industry monopolize the Oahu's accommodation options will result in a ruined economy.

Name Milton and Constance Diamond

Date 30 August 2021

Address 2550 Saul Place Honolulu, HI 96816

Tel 808 732-4357

Signature Milton and Constance Diamond

From: wennickl001@hawaii.rr.com [mailto:wennickl001@hawaii.rr.com]

Sent: Tuesday, August 31, 2021 9:51 AM

To: info@honoluludpp.org

Subject: Proposed STR regulations meeting Sept 1, 2021

CAUTION: Email received from an EXTERNAL sender. Please confirm the content is safe prior to opening attachments or links.

My name is Larry Wennick 4709 Aukai Ave. Honolulu, HI 96816 808-271-7426

I own a condo unit in the Hawaiian Monarch Hotel, which is located in Waikiki and has a working hotel in the building.

Your stated purpose of the new regulation is to eliminate illegal STR's in the residential neighborhoods. If so why are you trying to outlaw all legally operating STR's in Waikiki that are in hotels? Why do STR's in the resort district have to be operated by hotels? Is it because the hotels lobby is so strong that you are eliminating legal privately operated STR's?

You should limit the new regulation to only eliminating currently ILLEGAL STR's, specifically in the residential areas.

In the Hawaiian Monarch there are about 300 legally operating STR's. They operate peacefully and DO NOT bring on complaints, because they are in the resort area and in a hotel. You will wipe out the livelihood of about 300 families, to achieve what purpose? To give the hotels a monopoly?

If there are no complaints from the public, why change the status quo, especially since the current regulations give specific exemption to STR's in hotels in the resort area? Why change something that is working perfectly well under the current regulations?

Thanks, Larry Wennick From: Beach Bum [mailto:greenbreadfruit@gmail.com]

Sent: Tuesday, August 31, 2021 9:57 AM

To: info@honoluludpp.org

Subject: written testimony against proposed amendments to Chapter 21 relating to TVUs

CAUTION: Email received from an EXTERNAL sender. Please confirm the content is safe prior to opening attachments or links.

I am **against** the proposed amendments to Chapter 21 for several reasons:

- 1. 2.
- 3. Homeowners rely on TVUs to pay for mortgage and property taxes, both of which are very high. You
- 4. are dictating how homeowners manage their personal assets--that is wrong and inappropriate.
- 5.
- 6.
- 7.
- 8. You are putting the interests of multinational hotel chains before the concerns of Hawaii property
- 9. owners who live here. Profits made by the hotel chains leave Hawaii and go to benefit mainland and international stockholders.
- 10.
- 11.
- 12.
- 13. You are dictating how tourists experience Hawaii. TVUs offer tourists a completely different experience
- 14. than hotels. It's a more culturally rich exposure to our islands. Short-term renters buy food at grocery stores, they eat at restaurants, they buy souvenirs, they book tours, and they employ housekeepers, yard services, and repair workers. Housekeepers can
- 15. make over \$60/hour, which is double what hotel maids are paid.
- 16.
- 17.
- 18.
- 19. If you raise the minimum stay to 180 days, you will be putting a hardship on visiting nurses and professors as well as people who are moving here and need a temporary home while
- 20. they look for a home to buy or rent.
- 21.
- 22.

Please do NOT squeeze out local homeowners who need the income from their TVU to pay for their mortgage and property taxes. Do NOT make any amendments to the existing laws.

Lori Rough

From: Karen Lisoway [mailto:lisowayk@telus.net]

Sent: Tuesday, August 31, 2021 10:19 AM

To: info@honoluludpp.org

Subject: Testimony for Proposed Amendments to Chapter 21 of the ROH

CAUTION: Email received from an EXTERNAL sender. Please confirm the content is safe prior to opening attachments or links.

As an owner of property on Oahu I would like to express my objection to certain proposed amendments to Chapter 21 of the ROH. My objections are as follows:

- 1. Changing the definition from less than 30 days to less than 180 days greatly restricts current property owners from renting out their dwelling to accommodate temporary workers. High tourist season results in an increase in job positions to fill. If the required positions can't be filled with local residents it will make it extremely difficult to recruit off-island as they will not be able to find something to rent for less than 6 months.
- 2. Amendments to the Master Use Table are owners of currently held NUC's or of registered properties grandfathered in and allowed to continue their operation? If not, I strongly object to this change. We have all purchased properties based on existing restrictions. The proposed changes will have a significant impact on the resale market and will result in losing tens of thousands if not hundreds of thousands of dollars on our properties. I can understand the desire to make housing more readily available in residential neighborhoods but the proposed changes to the ordinance are reaching much further than residential neighborhoods.
- 3. Units in a condominium-hotel cannot be used as primary residence unless my interpretation is completely wrong you are, in essence, kicking people out of their home. These are residences that people have purchased and own to reside in under the current law. As I read it the proposed changes would not allow me to live in a property that I already own and live in.
- 4. Hotel Units to be managed and controlled by the Hotel agency as an owner I should have the right to manage my own property. After all, I do own it and have purchased it with my hard earned money. I also contribute to the local economy and pay taxes. All this, only to give up all my rights and hand it over to the hotel? Given the proposed changes the hotels would have a complete monopoly over property that I own. This will result in them charging whatever they want and sending my costs through the roof and they don't have any of the capital cost, they just get to stand by and reap in the profits. This does nothing to reduce the impact of TVU's on residential neighborhoods and does nothing to crack down on illegal STR's. This proposed change has a taste of price fixing.

It clearly states that the "purpose of the Ordinance is to better protect the City's residential neighborhoods." If this truly is the purpose of the changes then why do so many of the changes affect the Hotels, Condominium Hotels and Hotel Units. "Hotels" are not a part of residential neighborhoods. Further to this the Waikiki district as a whole cannot for all intents and purposes be considered a residential neighborhood. Waikiki is clearly a tourist district and has been marketed as such by the City and County of Honolulu for many years. So unless the City and County of Honolulu is considering rebranding their island they are portraying one image to the

general public and a completely different image in the way local owners are treated. We should be able to live in and manage the properties that we own.

I can be reached at this email address for any discussion on the above.

Karen Lisoway

To: City and County of Honolulu Planning Commission From:

Jacquelyn Lang owner at Beach Villas at Ko Olina

Re: Written submission regarding Proposed Amendments to Chapter 21, Revised Ordinances of Honolulu (ROH) 1990, as Amended, Relating to Transient Accommodations.

#### I. Introduction:

In 2010 and 2011 I purchased two condominiums at the Beach Villas at Ko Olina, a condominium organized under HRS 514B and located in a Resort zone.

My parents and I purchased these two properties as our future home and family investments. I fell in love with Hawaii the first time I visited the islands in 2010. My husband and I were newly weds and we wanted to be able to own a property that we would be able to enjoy with our family and friends in the years to come. We have come back to Ko Olina every year since we purchased the property, and it brings us so much joy to be able to share our space with other guests.

I share in the Planning Commission's goals to getting this Proposed Ordinance change right.

When I first came to the Beach Villas, I knew that this was a very unique condominium property, located in a Resort Zone. I carefully researched that this was the a one-of-a kind property on Oahu, with HOA declarations to allow owners to rent the villas short term. To this day there is widespread consensus that "Condos in Resort zones on Oahu allow owners to run a short-term vacation

rental business, assuming the condo association does not prohibit short-term rentals." Hawaiiliving.com/blog

My fellow neighbor and Owner of a Beach Villa property, Jim Tree has prepared some facts below that I would also like to add to my testimony.

#### II. The impact of the Proposed Ordinance on STRs in a Resort zone.

My discussion and requests will only be concerned with properties located in a Resort zone. As I have talked to real estate experts on Oahu there is a great deal of confusion regarding the potential impact of the Proposed Ordinance on short term rentals in a Resort zone. Some saying there will be no impact on hotels, condominium hotels, and condominiums with HOA rules that allow short-term rentals and that are located in a Resort zone, with others saying there will be a tremendous impact.

### A. Transient Vacation Units ("TVUs") in a Resort zone.

Recently DPP revised the Proposed Ordinance by adding Transient Vacation Units ("TVUs") back into Table 21-3, Mixed Use Table, as a permitted use in a Resort zone, however, there was no corresponding change made to the text of the Proposed Ordinance. This is significant because a note to Table 21-3 states, "In the event of any conflict between the text of this Chapter and the following table, the text of the Chapter shall control." Without a corresponding change to Sec. 21-5.730.1, etc. this recent revision to Table 21-3 will have no effect.

The fact that DPP had originally not included TVUs as a permitted use in a Resort zone vividly demonstrates that DPP was not considering hotels, condominium hotels, and condominiums in a Resort zone as TVUs. If they are considered TVUs then under DPP's original proposal there could be no hotel, condominium hotel, or condominium operating with STRs in a Resort zone as TVUs were not a permissible use in a Resort zone. (The change to only the Table and not to the text continues to prohibit TVUs in Resort zones.)

Whether TVUs are going to be a permitted use in a Resort zone and what effect that will have on STRs in a Resort zone should be of considerable concern to the Planning Commission. If TVU's are a permitted use in a Resort zone how will this impact hotels, condominium hotels, and condominiums in a resort zone? TVU's are defined in the Proposed Ordinance as "a dwelling unit or lodging unit that is advertised, solicited, offered, or provided to transient occupants, for compensation, for periods of less than 180 consecutive days, other than a bed and breakfast home." This broad definition includes hotels, condominium hotels, and condominiums. Since TVU's are defined so broadly and currently TVU's are not

permitted use in Resort zones (until the text of the chapter is revised) hotels, condominium hotels, and condominiums cannot offer lodgings of less than 180 days inside the Resort zone. Surely this is not the intended consequence of the Proposed Ordinance. The definition of TVUs should explicitly exclude all hotels, all condominium hotels, and condominiums in a resort zone. If the text of the chapter is revised to be consistent with the recent change to Table 21-3 the exclusion still needs to be written into the definition for TVUs, otherwise, hotels will need to meet the occupancy, permitting, and other compliance issues surrounding TVUs.

Examination of the purpose of this Proposed Ordinance and the purpose of the Resort zone also leads to the conclusion that the definition of TVUs need to be modified to exclude all hotels, all condominium hotels, and condominiums in a resort zone. Both the August 13, 2021 staff report ("The purpose of this Ordinance is to better protect the City's residential neighborhoods and housing stock from the negative impacts of STRs...") and the Proposed Bill itself ("Short-term rentals are disruptive to the character and fabric of our residential neighborhoods; they are inconsistent with the land uses that are intended for our residential zoned areas...The purpose of this Ordinance is to protect the City's residential **neighborhoods**...") clearly explain the purpose of this Proposed Bill is to protect the residential neighborhoods. The City and County has a clear nexus in regulating STRs in residential neighborhoods but there is no nexus in regulating TVUs in resort zones. In fact, to do so goes against the history and purpose of the Resort Zone. "The purpose of the resort district is to provide areas for visitor-oriented destination centers. Primary uses are lodging units and hotels and multifamily dwellings...This district is intended primarily to serve the visitor population..." ROH Sec. 21-3.100.

In short there is no valid reason to further regulate STRs inside a Resort zone. Accordingly, the definition of TVUs should explicitly exclude a dwelling unit or a lodging unit inside a Resort zone.

## B. The Beach Villas at Ko Olina and the Proposed Ordinance.

Although the Beach Villas meets the definition of hotel under the existing and Proposed Ordinance, ""Hotel" means a building or group of buildings containing lodging and/or dwelling units [offering] that are used to offer transient accommodations to guests.[,]. A hotel building or group of buildings must contain [and] a lobby, clerk's desk or counter with 24 hour clerk service, and facilities for

registration and keeping of records relating to hotel guests. A hotel may also include accessory uses and services intended primarily for the convenience and benefit of the hotel's guests, such as restaurants, shops, meeting rooms, and/or recreational and entertainment facilities." Section 24. Chapter 21, Article 10.

The Beach Villas is beachfront in the Resort zone of the Ko Olina Resort. The Beach Villas is only one of four beachfront properties developed at Ko Olina, the other three are the Four Seasons, the Aulani, and the Marriot Beach Club.

The Beach Villas was built as a luxury resort condominium with approved uses for transient vacation rentals and long-term residencies. Accordingly, it was built with a beautiful and spacious Hawaiian themed front desk that is operated 24 hours per day. The property also has a beach bar, meeting room, and recreational facilities. In every aspect it meets the definition of hotel under the Proposed Ordinance. However, because the 247 two and three bedroom condominiums are individually owned it is not possible to meet the new requirements under the Proposed Ordinance that require a hotel to have consistent hotel rental rates set by the hotel operator. Owners at Beach Villas have been advised that owners getting together and setting rates between owners would be a violation of rate fixing laws. Therefore, when the Planning Commission revises the definition of TVU to exclude hotels they should also explicitly include condominium hotels and condominiums in a resort zone as properties that should be excluded from the definition of TVUs. Hotels, condominium hotels, and condominiums in a resort zone should be explicitly given the power to participate in short term rentals. This is consistent with current practice, the purpose of the Proposed Ordinance, and the Purpose of the Resort zone.

Chapter 8 (Real Property Tax). The Beach Villas is already regulated by Chapter 8 and owners that have short term rentals in this Resort zone already are classified as Hotel and Resort and pay this rate for property taxes. The same is true for other condominiums in resort zones on Oahu. See, Section 8.71, 8.75. There is no reason to not exempt condominiums in a Resort zone from the definition of TVU and permit them to have short term rentals by virtue of the Resort zone.

The Beach Villas was subject to design and building requirements of a condominium property built in a Resort zone. Accordingly, there is amble onsite parking provided for owners and guests. Although there is a nexus to occupancy rules for TVUs in residential neighborhoods there is no nexus for properties in the Resort zone. These occupancy restrictions should not be imposed on hotels,

condominium hotels, or condominiums in a Resort zone. Although there is a valid reason for imposing the use and development standards on TVUs in residential neighborhoods there is no valid reason to impose those standards inside the Resort zone. See, Proposed Sec. 21-5.730.3.

#### III. Preserve the right for short term rentals in a Resort zone.

The Proposed Ordinance should be revised to explicitly allow for STRs by all hotels, all condominium hotels, and condominiums that are located in a Resort zone and that do not have HOA restrictions against STRs. These properties should be excluded from the definition of TVUs. To do so preserves existing laws and rules, is not contrary to the stated purpose of the Proposed Ordinance, and is consistent with the purpose of the Resort zone.

Mahalo for your consideration.

Jacquelyn Lang, Kimberly Tran and David Tran